

# SENATE BILL 984

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By: **Senators Pipkin and Brinkley**

Constitutional Requirements Complied with for Introduction in the last 35 Days of  
Session

Introduced and read first time: March 14, 2011

Rules suspended

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Budget Reconciliation and Balancing Act**

3 FOR the purpose of altering or repealing certain required appropriations; altering the  
4 distribution of certain revenues; altering or repealing certain funding  
5 requirements; altering the authorized use of certain funds; altering or repealing  
6 certain grant programs; repealing the Maryland Stem Cell Research Fund, the  
7 Stem Cell Research Commission, and certain provisions of law providing for  
8 State-funded stem cell research; repealing a certain unit in the Department of  
9 Labor, Licensing, and Regulation; altering a certain limit on the amount of  
10 certain distributions required to be made to certain counties and Baltimore City  
11 based on per capita yield of county income taxes; altering certain State aid to  
12 local jurisdictions for local expenditures for police protection for certain fiscal  
13 years; authorizing certain units of government to charge a certain fee for certain  
14 purposes; repealing certain requirements for a certain notice relating to  
15 abandoned property to be published in certain newspapers; requiring the  
16 Comptroller to maintain, or cause to be maintained, an abandoned property  
17 database containing the names and last known addresses, if any, of persons  
18 listed in certain reports; requiring the Comptroller to maintain, or cause to be  
19 maintained, a certain Internet Web site relating to the abandoned property  
20 database; requiring the Comptroller to publish certain notices of a certain  
21 Internet Web site; requiring the counties and Baltimore City to reimburse the  
22 State for certain costs to employ certain law clerks; altering a certain fee  
23 imposed on persons supervised by the Division of Parole and Probation;  
24 prohibiting the use of State funds for certain purposes; altering certain State  
25 education funding for a certain fiscal year; providing that certain grants to  
26 county boards of education may be funded from the proceeds of certain bonds;  
27 requiring certain counties to reimburse the State for certain nonpublic  
28 education costs; authorizing the Maryland Higher Education Commission to

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 impose certain fees; prohibiting new awards under a certain scholarship  
2 program and abolishing the program by a certain date; altering the calculation  
3 of certain State aid to community colleges; altering certain State aid provided to  
4 certain nonpublic institutions of higher education; providing for the  
5 accreditation of certain youth camps by nationally recognized organizations;  
6 altering certain youth camp regulatory responsibilities of the Department of  
7 Health and Mental Hygiene; repealing certain youth camp inspection  
8 requirements; abolishing the Youth Camp Safety Advisory Council; altering a  
9 certain quality assessment on certain nursing facilities; repealing the sunset  
10 date for the quality assessment paid by certain nursing facilities; altering  
11 certain provisions relating to certain requirements that certain nonprofit health  
12 service plans use certain funds for certain purposes under certain  
13 circumstances; requiring the transfer of certain interest from certain funds into  
14 the General Fund; authorizing the State to establish separate health insurance  
15 benefit options for retirees that differ from those for active employees;  
16 authorizing the State to discontinue certain health benefits for certain retirees  
17 in a certain year; altering certain requirements that certain subsidies be  
18 deposited in the State Employees and Retirees Health and Welfare Benefits  
19 Program; establishing a certain reformed contributory pension benefit for new  
20 members of the Employees' Pension System and the Teachers' Pension System  
21 on or after a certain date; altering for certain members of the Employees'  
22 Pension System and the Teachers' Pension System the method for calculating  
23 the average final compensation that is used to determine certain retirement  
24 allowances; requiring the adjustment of a certain employer contribution rate for  
25 certain State retirement and pension systems to reflect the cost of legislative  
26 changes under certain circumstances; requiring certain members of the  
27 Employees' Pension System and the Teachers' Pension System to make a  
28 certain selection that affects the rate of member contributions and the rate used  
29 to calculate certain benefits; providing for a certain selection if an individual  
30 fails to make a selection on or before a certain date or within a certain time  
31 period; making the selections irrevocable and not subject to change; altering the  
32 rate of member contributions and the method for calculating certain benefits for  
33 certain members of the Employees' Pension System and the Teachers' Pension  
34 System; altering eligibility for, and the method of calculating, an early service  
35 retirement allowance for certain members of the Employees' Pension System  
36 and the Teachers' Pension System; altering certain eligibility requirements for  
37 participation in certain deferred retirement option programs for members of the  
38 State Police Retirement System and the Law Enforcement Officers' Pension  
39 System; altering the rate of member contributions for certain members of the  
40 Judges' Retirement System; altering certain eligibility requirements for a  
41 certain vested allowance for certain members of the Employees' Pension System  
42 and the Teachers' Pension System; providing for a certain cost-of-living  
43 adjustment for members of the Employees' Pension System and the Teachers'  
44 Pension System who are subject to the reformed contributory pension benefit;  
45 altering the method for applying service credit for military service so as to use  
46 the accrual rate in effect at the time of application for the military service  
47 credit; requiring the Governor's Salary Commission and the General Assembly  
48 Salary Commission to make certain recommendations concerning benefit and

1 contribution levels; requiring the Board of Trustees for the State Retirement  
2 and Pension System to provide certain reports to the Governor and the Joint  
3 Committee on Pensions; requiring counties to pay a certain portion of employer  
4 contributions for certain members of the Teachers' Retirement System or the  
5 Teachers' Pension System; providing for the method of payment each county is  
6 required to make to the Board of Trustees for the State Retirement and Pension  
7 System regarding a certain portion of employer contributions for certain  
8 members of the Teachers' Retirement System or the Teachers' Pension System;  
9 altering the distribution of certain motor fuel tax revenue; altering the  
10 distribution of certain sales and use tax revenues from short-term rental  
11 vehicles; altering the distribution of certain sales and use tax revenues for  
12 certain fiscal years; altering certain provisions relating to the funding of a  
13 certain highway; altering certain requirements for the percentage of operating  
14 costs that must be recovered from certain revenues for certain public transit  
15 services; altering the distribution of certain highway user revenues for a certain  
16 fiscal year; altering the share of the operating deficits of a certain regional  
17 transit system that the State is required to fund by certain annual grants from  
18 the Department of Transportation; requiring certain tax clearance verification  
19 before registration or renewal of registration of a motor vehicle; requiring  
20 certain tax clearance verification before issuance or renewal of a driver's license;  
21 authorizing the transfer of certain funds for certain purposes; providing that the  
22 Governor is not required to include certain appropriations in the budget for  
23 certain fiscal years under certain circumstances; prohibiting certain payments  
24 for certain rate increases for certain providers for a certain fiscal year;  
25 prohibiting the payment of certain merit increases for certain State employees  
26 for a certain period; authorizing the prefunding of certain education funding  
27 obligations; stating certain intent of the General Assembly regarding  
28 restraining spending in the State budget by implementation of certain actions;  
29 making the provisions of this Act severable; providing for the effective dates and  
30 application of this Act; and generally relating to the financing of State  
31 government.

32 BY repealing

33 Article 24 – Political Subdivisions – Miscellaneous Provisions  
34 Section 9–1104  
35 Annotated Code of Maryland  
36 (2005 Replacement Volume and 2010 Supplement)

37 BY repealing

38 Article – Economic Development  
39 Section 10–429 through 10–432 and 10–434 through 10–442 and the part “Part  
40 III. Stem Cell Research”  
41 Annotated Code of Maryland  
42 (2008 Volume and 2010 Supplement)

43 BY repealing

44 Article – Education

- 1 Section 5–202(f), 6–112; 18–1101 through 18–1107 and the subtitle “Subtitle 11.  
2 Distinguished Scholar Programs”; and 18–1201 through 18–1207 and the  
3 subtitle “Subtitle 12. Private Career School Student Grant Program”  
4 Annotated Code of Maryland  
5 (2008 Replacement Volume and 2010 Supplement)
- 6 BY repealing  
7 Article – Health – General  
8 Section 14–401(b), (d), and (e), 14–402(b), (c), and (d), and 14–403 through  
9 14–410  
10 Annotated Code of Maryland  
11 (2009 Replacement Volume and 2010 Supplement)
- 12 BY repealing  
13 Article – Labor and Employment  
14 Section 2–107(f)  
15 Annotated Code of Maryland  
16 (2008 Replacement Volume and 2010 Supplement)
- 17 BY repealing and reenacting, without amendments,  
18 Article 24 – Political Subdivisions – Miscellaneous Provisions  
19 Section 9–1101(a)(1)  
20 Annotated Code of Maryland  
21 (2005 Replacement Volume and 2010 Supplement)
- 22 BY repealing and reenacting, with amendments,  
23 Article 24 – Political Subdivisions – Miscellaneous Provisions  
24 Section 9–1101(d)  
25 Annotated Code of Maryland  
26 (2005 Replacement Volume and 2010 Supplement)
- 27 BY adding to  
28 Article 41 – Governor – Executive and Administrative Departments  
29 Section 4–407  
30 Annotated Code of Maryland  
31 (2010 Replacement Volume)
- 32 BY repealing and reenacting, with amendments,  
33 Article – Commercial Law  
34 Section 15–607 and 17–311  
35 Annotated Code of Maryland  
36 (2005 Replacement Volume and 2010 Supplement)
- 37 BY repealing and reenacting, with amendments,  
38 Article – Courts and Judicial Proceedings  
39 Section 2–512  
40 Annotated Code of Maryland  
41 (2006 Replacement Volume and 2010 Supplement)

- 1 BY repealing and reenacting, with amendments,  
2 Article – Criminal Procedure  
3 Section 6–226(b)  
4 Annotated Code of Maryland  
5 (2008 Replacement Volume and 2010 Supplement)
- 6 BY repealing and reenacting, with amendments,  
7 Article – Economic Development  
8 Section 10–523(a)(3)(i)  
9 Annotated Code of Maryland  
10 (2008 Volume and 2010 Supplement)
- 11 BY adding to  
12 Article – Economic Development  
13 Section 10–640(g) and 10–643(g)  
14 Annotated Code of Maryland  
15 (2008 Volume and 2010 Supplement)
- 16 BY repealing and reenacting, with amendments,  
17 Article – Education  
18 Section 5–202(a)(13), 5–206(f)(1), 6–306, 8–710, 11–105(o), 14–405(b)(2),  
19 16–305(c)(1), 16–310(d)(1), 16–512(a), 17–103, 17–104(a), 23–205(c) and  
20 (d), and 23–503(b)(1)  
21 Annotated Code of Maryland  
22 (2008 Replacement Volume and 2010 Supplement)
- 23 BY adding to  
24 Article – Education  
25 Section 8–507 and 18–1107  
26 Annotated Code of Maryland  
27 (2008 Replacement Volume and 2010 Supplement)
- 28 BY repealing and reenacting, with amendments,  
29 Article – Financial Institutions  
30 Section 13–1114(g)(3)  
31 Annotated Code of Maryland  
32 (2003 Replacement Volume and 2010 Supplement)
- 33 BY repealing and reenacting, with amendments,  
34 Article – Health – General  
35 Section 2–301, 2–302(b)(2), 14–402(a), 14–411, 19–214(b) and (c), and  
36 19–310.1(b)  
37 Annotated Code of Maryland  
38 (2009 Replacement Volume and 2010 Supplement)
- 39 BY adding to  
40 Article – Health – General

- 1 Section 14–401(b), 14–402(b), and 14–403 through 14–405  
2 Annotated Code of Maryland  
3 (2009 Replacement Volume and 2010 Supplement)
- 4 BY repealing and reenacting, with amendments,  
5 Article – Insurance  
6 Section 14–106(d)(1)(iv) and (2) and 14–106.1  
7 Annotated Code of Maryland  
8 (2006 Replacement Volume and 2010 Supplement)
- 9 BY repealing and reenacting, with amendments,  
10 Article – Labor and Employment  
11 Section 2–107(g)  
12 Annotated Code of Maryland  
13 (2008 Replacement Volume and 2010 Supplement)
- 14 BY repealing and reenacting, with amendments,  
15 Article – Natural Resources  
16 Section 5–212(g), 5–212.1(g), and 5–215(b) and (c)  
17 Annotated Code of Maryland  
18 (2005 Replacement Volume and 2010 Supplement)
- 19 BY repealing and reenacting, with amendments,  
20 Article – State Finance and Procurement  
21 Section 3A–309(e), 6–226(a), and 7–325(a)  
22 Annotated Code of Maryland  
23 (2009 Replacement Volume and 2010 Supplement)
- 24 BY adding to  
25 Article – State Personnel and Pensions  
26 Section 2–508(b)(3), 20–101(hh–1), 20–205.1, 21–309.1, 23–212(d) and (e),  
27 23–221(d); 23–225 and 23–226 to be under the new part “Part IV.  
28 Reformed Contributory Pension Benefit”; 23–401(f) and (g), 29–303(h);  
29 29–430 through 29–432 to be under the new part “Part VII. Three/One  
30 Percent Compound Adjustment”; and 31–116.2  
31 Annotated Code of Maryland  
32 (2009 Replacement Volume and 2010 Supplement)
- 33 BY repealing and reenacting, with amendments,  
34 Article – State Personnel and Pensions  
35 Section 2–509.1, 2–516, 20–101(g) and (bb), 20–205(a), 21–304(a), (b), (e), and  
36 (f), 23–212(c), 23–221(a), 23–222, 23–401(a), (b), and (d), 23–402,  
37 24–401.1(c), 26–401.1(c), 27–202, 29–303(b), (c), and (e), 34–101(d), and  
38 38–104(d)  
39 Annotated Code of Maryland  
40 (2009 Replacement Volume and 2010 Supplement)
- 41 BY repealing and reenacting, with amendments,

1 Article – Tax – General  
2 Section 2–202(b), 2–1104, 2–1302.1, 2–1302.2, and 11–105(c)  
3 Annotated Code of Maryland  
4 (2010 Replacement Volume)

5 BY repealing  
6 Article – Transportation  
7 Section 1–103(c)  
8 Annotated Code of Maryland  
9 (2008 Replacement Volume and 2010 Supplement)

10 BY repealing and reenacting, with amendments,  
11 Article – Transportation  
12 Section 4–321(e), 7–208(b), 8–402(c)(2), and 10–205(b)  
13 Annotated Code of Maryland  
14 (2008 Replacement Volume and 2010 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Transportation  
17 Section 13–406(9) and (10) and 16–103.1(11) and (12)  
18 Annotated Code of Maryland  
19 (2009 Replacement Volume and 2010 Supplement)

20 BY adding to  
21 Article – Transportation  
22 Section 13–406(11) and 16–115(j)  
23 Annotated Code of Maryland  
24 (2009 Replacement Volume and 2010 Supplement)

25 BY repealing and reenacting, with amendments,  
26 Chapter 503 of the Acts of the General Assembly of 2007  
27 Section 6

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
29 MARYLAND, That Section(s) 9–1104 of Article 24 – Political Subdivisions –  
30 Miscellaneous Provisions of the Annotated Code of Maryland be repealed.

31 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 10–429  
32 through 10–432 and 10–434 through 10–442 and the part “Part III. Stem Cell  
33 Research” of Article – Economic Development of the Annotated Code of Maryland be  
34 repealed.

35 SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 5–202(f),  
36 6–112, and 18–1201 through 18–1207 and the subtitle “Subtitle 12. Private Career  
37 School Student Grant Program” of Article – Education of the Annotated Code of  
38 Maryland be repealed.

1 SECTION 4. AND BE IT FURTHER ENACTED, That Section(s)  
2 18–1101 through 18–1107 and the subtitle “Subtitle 11 – Distinguished Scholar  
3 Programs” of Article – Education of the Annotated Code of Maryland be repealed.

4 SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 14–401(b), (d),  
5 and (e), 14–402(b), (c), and (d), and 14–403 through 14–410 of Article – Health –  
6 General of the Annotated Code of Maryland be repealed.

7 SECTION 6. AND BE IT FURTHER ENACTED, That Section(s) 2–107(f) of  
8 Article – Labor and Employment of the Annotated Code of Maryland be repealed.

9 SECTION 7. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
10 read as follows:

11 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

12 9–1101.

13 (a) (1) Subject to subsection (d) of this section, for each fiscal year, the  
14 Comptroller shall distribute to a county the amount determined for each county under  
15 this section.

16 (d) For fiscal year 2011 and each subsequent fiscal year, the distribution  
17 provided to any county or Baltimore City under this section may not exceed **AN**  
18 **AMOUNT EQUAL TO 60% OF** the amount distributed to the county or Baltimore City  
19 for fiscal year 2010.

20 **Article 41 – Governor – Executive and Administrative Departments**

21 **4–407.**

22 **NOTWITHSTANDING THE PROVISIONS OF § 4–403 OF THIS SUBTITLE, FOR**  
23 **EACH OF FISCAL YEARS 2012 THROUGH 2016:**

24 **(1) TOTAL FUNDING FOR STATE AID FOR POLICE PROTECTION**  
25 **UNDER THIS SUBTITLE SHALL BE \$45,420,982; AND**

26 **(2) EACH SUBDIVISION OR MUNICIPALITY SHALL RECEIVE THE**  
27 **SAME STATE FUNDING UNDER THIS SUBTITLE THAT THE SUBDIVISION OR**  
28 **MUNICIPALITY RECEIVED IN FISCAL YEAR 2011.**

29 **Article – Commercial Law**

30 15–607.

1           **(A)** Wages, due from or payable by the State, or a county, municipal  
2 corporation, or other political subdivision, and the public officers of the State or a  
3 county, municipal corporation, or other political subdivision to an individual, are  
4 subject to attachment process brought for the enforcement of the private legal  
5 obligations of the individual in the same manner and to the same extent as if the  
6 State, county, municipal corporation, or other political subdivision, and their  
7 respective public officers, were a private person.

8           **(B) THE STATE, OR A COUNTY, MUNICIPAL CORPORATION, OR OTHER**  
9 **POLITICAL SUBDIVISION, AND THEIR RESPECTIVE PUBLIC OFFICERS, MAY**  
10 **DEDUCT AND RETAIN FROM THE INDIVIDUAL'S WAGES AN ADDITIONAL \$2 FOR**  
11 **EACH DEDUCTION MADE UNDER THE ATTACHMENT PROCESS OF THIS SUBTITLE**  
12 **OR UNDER TITLE 31, U.S.C. § 3720D.**

13 17-311.

14           **[(a) (1)** Within 365 days from the filing of the report required by § 17-310  
15 of this subtitle, the Administrator shall cause notice to be published in a newspaper of  
16 general circulation in the county in the State within which is located the last known  
17 address of any person to be named in the notice.

18           (2) If an address is not listed or if the address is outside the State, the  
19 notice shall be published in the county within which the person who held the  
20 abandoned property has the principal place of business in this State.

21           (b) The published notice shall be entitled "Notice of Names of Persons  
22 Appearing to Be Owners of Abandoned Property" and shall contain:

23           (1) The names in alphabetical order and last known addresses, if any,  
24 of persons listed in the report and entitled to notice in the county specified in this  
25 section;

26           (2) A statement that information concerning the amount or description  
27 of the property and the name and address of the person who held the property may be  
28 obtained by any person who possesses an interest in the property, by addressing an  
29 inquiry to the Administrator; and

30           (3) A statement that a proof of claim may be presented by the owner to  
31 the Administrator.

32           (c) The Administrator is not required to publish in the notice any item  
33 valued at less than \$100 unless the Administrator considers the publication to be in  
34 the public interest.]

35           **(A) IN THIS SECTION, "ABANDONED PROPERTY DATABASE" MEANS AN**  
36 **ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN**

1 ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED  
2 PROPERTY.

3 (B) (1) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE  
4 MAINTAINED, AN ABANDONED PROPERTY DATABASE.

5 (2) WITHIN 365 DAYS AFTER THE FILING OF THE REPORT  
6 REQUIRED BY § 17-310 OF THIS SUBTITLE, THE ADMINISTRATOR SHALL ADD TO  
7 THE ABANDONED PROPERTY DATABASE THE NAMES AND LAST KNOWN  
8 ADDRESSES, IF ANY, OF PERSONS LISTED IN THE REPORT.

9 (3) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE  
10 MAINTAINED, AN INTERNET WEB SITE THAT:

11 (I) PROVIDES REASONABLE MEANS BY WHICH A PERSON  
12 MAY SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS  
13 SUBSECTION;

14 (II) CONTAINS A STATEMENT THAT INFORMATION  
15 CONCERNING THE AMOUNT OR DESCRIPTION OF THE PROPERTY AND THE NAME  
16 AND ADDRESS OF THE PERSON WHO HELD THE PROPERTY MAY BE OBTAINED BY  
17 ANY PERSON WHO POSSESSES AN INTEREST IN THE PROPERTY, BY ADDRESSING  
18 AN INQUIRY TO THE ADMINISTRATOR;

19 (III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY  
20 BE PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND

21 (IV) INCLUDES A LINK TO AN ABANDONED PROPERTY CLAIM  
22 FORM.

23 (C) (1) THE ADMINISTRATOR SHALL PUBLISH NOTICE OF THE  
24 INTERNET WEB SITE REQUIRED BY SUBSECTION (B)(3) OF THIS SECTION.

25 (2) THE NOTICE SHALL:

26 (I) BE PUBLISHED AT LEAST ONCE EACH CALENDAR  
27 QUARTER IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN EACH  
28 COUNTY OF THE STATE; AND

29 (II) CONTAIN:

30 1. A STATEMENT THAT THE ADMINISTRATOR  
31 MAINTAINS RECORDS OF THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF  
32 PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY;

1                   **2. A STATEMENT THAT ANY PERSON MAY SEARCH**  
2 **THE ADMINISTRATOR'S ABANDONED PROPERTY RECORDS THROUGH THE**  
3 **ADMINISTRATOR'S INTERNET WEB SITE; AND**

4                   **3. THE ADDRESS OF THE INTERNET WEB SITE.**

5           (d) Within 120 days from the receipt of the report required by § 17-310 of  
6 this subtitle, the Administrator shall mail a notice to each person who has an address  
7 listed in the report who appears entitled to property valued at \$100 or more and  
8 presumed abandoned under this subtitle.

9           (e) The mailed notice shall contain:

10           (1) A statement that, according to a report filed with the  
11 Administrator, property is being held to which the addressee appears entitled;

12           (2) The name and address of the person who held the property and  
13 any necessary information regarding any change of the name or address of the holder;  
14 and

15           (3) A statement that a proof of claim may be presented by the owner to  
16 the Administrator.

17                   **Article – Courts and Judicial Proceedings**

18           2-512.

19           (a) Each circuit court judge shall have one law clerk, to be employed by the  
20 State.

21           (b) The budget for the Administrative Office of the Courts shall include funds  
22 to employ one law clerk for each circuit court judge.

23           **(c) (1) EACH COUNTY AND BALTIMORE CITY SHALL REIMBURSE THE**  
24 **ADMINISTRATIVE OFFICE OF THE COURTS FOR 100% OF THE SALARY AND**  
25 **OTHER EXPENSES TO EMPLOY ONE LAW CLERK FOR EACH CIRCUIT COURT**  
26 **JUDGE IN THE COUNTY OR BALTIMORE CITY.**

27           **(2) THE AMOUNTS RECEIVED UNDER THIS SUBSECTION SHALL BE**  
28 **CREDITED TO A SPECIAL FUND, TO BE USED ONLY TO PROVIDE FUNDS TO**  
29 **EMPLOY LAW CLERKS FOR EACH CIRCUIT COURT JUDGE AS PROVIDED IN THIS**  
30 **SECTION.**

31           **(3) NOTWITHSTANDING TITLE 2, SUBTITLE 6 OF THE TAX –**  
32 **GENERAL ARTICLE, IF THE ADMINISTRATIVE OFFICE OF THE COURTS**

1 CERTIFIES TO THE COMPTROLLER THAT A COUNTY OR BALTIMORE CITY IS  
2 MORE THAN 90 DAYS IN ARREARS IN PAYING THE AMOUNTS DUE UNDER THIS  
3 SUBSECTION, THE COMPTROLLER SHALL WITHHOLD FROM THE COUNTY  
4 INCOME TAX OTHERWISE DUE TO BE DISTRIBUTED TO THE COUNTY OR  
5 BALTIMORE CITY AND SHALL PAY TO THE ADMINISTRATIVE OFFICE OF THE  
6 COURTS THE AMOUNT DUE.

7 **Article – Criminal Procedure**

8 6–226.

9 (b) [(1)] Unless the supervisee is exempt under subsection (d) of this  
10 section, [except as provided in paragraph (2) of this subsection,] the court shall impose  
11 a monthly fee of [\$25] **\$50** on a supervisee.

12 [(2) For fiscal years 2006 through 2010 only, the monthly fee imposed  
13 under this subsection shall be \$40.]

14 **Article – Economic Development**

15 10–523.

16 (a) (3) (i) To assist the Corporation in complying with subsection (c) of  
17 this section, the Governor shall include each year in the State budget bill an  
18 appropriation to the Corporation for rural business development and assistance [for  
19 each of fiscal years 2010 and 2011 in the amount of \$2,750,000 and for each of fiscal  
20 years 2012 through 2020, in the amount of \$4,000,000] **AS FOLLOWS:**

- 21 **1. FOR FISCAL YEAR 2011, \$2,750,000;**  
22 **2. FOR FISCAL YEAR 2012, \$1,000,000;**  
23 **3. FOR FISCAL YEAR 2013, \$2,000,000;**  
24 **4. FOR FISCAL YEAR 2014, \$3,000,000; AND**  
25 **5. FOR EACH OF FISCAL YEARS 2015 THROUGH 2020,**  
26 **\$4,000,000.**

27 10–640.

28 **(G) NOTWITHSTANDING SUBSECTION (F) OF THIS SECTION, FOR FISCAL**  
29 **YEAR 2012 AND ANY FISCAL YEAR THEREAFTER, STATE FUNDS MAY NOT BE**  
30 **USED TO PAY ANY OBLIGATION OF THE AUTHORITY UNDER SUBSECTION (F) OF**  
31 **THIS SECTION FOR ANNUAL OPERATING DEFICITS OR A CAPITAL RESERVE**

1 FUND.

2 10-643.

3 (G) NOTWITHSTANDING SUBSECTION (F) OF THIS SECTION, FOR FISCAL  
 4 YEAR 2012 AND ANY FISCAL YEAR THEREAFTER, STATE FUNDS MAY NOT BE  
 5 USED TO PAY ANY OBLIGATION OF THE AUTHORITY UNDER SUBSECTION (F) OF  
 6 THIS SECTION FOR ANNUAL OPERATING DEFICITS OR A CAPITAL RESERVE  
 7 FUND.

8 Article – Education

9 5-202.

10 (a) (13) “Target per pupil foundation amount” means:

11 (i) In fiscal years 2008, 2009, and 2010, \$6,694;

12 (ii) Except as provided in [item (iii)] ITEMS (III) AND (IV) of  
 13 this paragraph, in subsequent fiscal years:

14 1. The target per pupil foundation amount for the prior  
 15 fiscal year increased by the same percentage as the lesser of:

16 A. The increase in the implicit price deflator for State  
 17 and local government expenditures for the second prior fiscal year;

18 B. The Consumer Price Index for all urban consumers for  
 19 the Washington–Baltimore metropolitan area, or any successor index, for the second  
 20 prior fiscal year; or

21 C. 5%; or

22 2. If there is no increase in the implicit price deflator for  
 23 State and local government expenditures for the second prior fiscal year or in the  
 24 Consumer Price Index for all urban consumers for the Washington–Baltimore  
 25 metropolitan area, or any successor index, for the second prior fiscal year, the target  
 26 per pupil foundation amount for the prior fiscal year;

27 (III) IN FISCAL YEAR 2012, \$6,424; and

28 [(iii)] (IV) In each of fiscal years [2012] 2013 through 2015:

29 1. The target per pupil foundation amount for the prior  
 30 fiscal year increased by the same percentage as the lesser of:

1                   A.     The increase in the implicit price deflator for State  
2 and local government expenditures for the second prior fiscal year;

3                   B.     The Consumer Price Index for all urban consumers for  
4 the Washington–Baltimore metropolitan area, or any successor index, for the second  
5 prior fiscal year; or

6                   C.     1%; or

7                   2.     If there is no increase in the implicit price deflator for  
8 State and local government expenditures for the second prior fiscal year or in the  
9 Consumer Price Index for all urban consumers for the Washington–Baltimore  
10 metropolitan area, or any successor index, for the second prior fiscal year, the target  
11 per pupil foundation amount for the prior fiscal year.

12 5–206.

13           (f)   (1)   In fiscal year 2006 and in each fiscal year thereafter, the State  
14 shall distribute grants **FROM AN APPROPRIATION IN THE STATE BUDGET OR**  
15 **GENERAL OBLIGATION BONDS** to county boards under the Aging Schools Program  
16 administered by the Interagency Committee on School Construction in amounts equal  
17 to the funding level calculated under paragraph (2) of this subsection.

18 6–306.

19           [(a) (1)   In this section the following words have the meanings indicated.

20                   (2)   “County grant for national certification” means an annual grant  
21 distributed to a teacher certified by the National Board for Professional Teaching  
22 Standards established:

23                   (i)   Outside of the collective bargaining process; or

24                   (ii)  As part of a collective bargaining agreement with the local  
25 employee organization.

26                   (3)   “School–based employee” means a certificated employee who works  
27 directly with students or teachers at a public school.

28           (b)   (1)   For fiscal year 2000 and each subsequent fiscal year, the Governor  
29 shall include in each year’s operating budget funding for the stipends and bonuses  
30 provided in this subsection.

31                   (2)   A classroom teacher or other nonadministrative school–based  
32 employee in a public school identified by the State Board as having comprehensive  
33 needs who holds a standard professional certificate or an advanced professional  
34 certificate who is employed by a county board and who holds a certificate issued by the

1 National Board for Professional Teaching Standards shall receive a stipend from the  
2 State in an amount equal to the county grant for national certification, up to a  
3 maximum of \$2,000 per qualified individual.

4 (3) A classroom teacher or other nonadministrative school-based  
5 employee in a school not identified by the State Board as having comprehensive needs  
6 who holds a standard professional certificate or an advanced professional certificate  
7 who is employed by a county board and who holds a certificate issued by the National  
8 Board for Professional Teaching Standards shall receive a stipend from the State in an  
9 amount equal to the county grant for national certification, up to a maximum of \$1,000  
10 per qualified individual.

11 (4) A classroom teacher who holds an advanced professional certificate  
12 and teaches in a public school identified by the State Board as a school having  
13 comprehensive needs shall receive a stipend from the State in the amount of \$1,500 for  
14 each year that the teacher performs satisfactorily in the classroom.]

15 **[(5) (A) [(i) 1.] (1)]** The State Board shall establish a  
16 program to support locally negotiated incentives, governed under Subtitles 4 and 5 of  
17 this title, for highly effective classroom teachers and principals to work in public  
18 schools that are:

19 **[A.] (I)** In improvement, corrective action, or  
20 restructuring;

21 **[B.] (II)** Categorized by the local school system as a  
22 Title I school; or

23 **[C.] (III)** In the highest 25% of schools in the State based  
24 on a ranking of the percentage of students who receive free and reduced priced meals.

25 **[2.] (2)** The program established under  
26 [subsubparagraph 1 of this subparagraph] **PARAGRAPH (1) OF THIS SUBSECTION**  
27 may include financial incentives, leadership changes, or other incentives.

28 **[(ii) (B) [1.] (1)]** The State Board shall adopt guidelines to  
29 implement this [paragraph] **SECTION**.

30 **[2.] (2)** Nothing in this [paragraph] **SECTION** shall be  
31 construed to prohibit a local school system from employing more stringent standards  
32 than the guidelines adopted under this [subparagraph] **SUBSECTION**.

33 **[(c)]** An individual who receives a stipend or bonus under subsection (b) of this  
34 section may not be deemed an employee of the State.

1 (d) The employer of an individual who receives a stipend or bonus under  
2 subsection (b) of this section shall pay the increase in fringe benefit costs associated  
3 with the stipend or bonus.

4 (e) The Department shall act as fiscal agent for funds disbursed under this  
5 section.]

6 **8-507.**

7 (A) IN THIS SECTION, "BASIC COST" MEANS THE AVERAGE AMOUNT  
8 SPENT BY A COUNTY FROM COUNTY AND STATE DOLLARS FOR THE PUBLIC  
9 EDUCATION OF A NONDISABLED CHILD.

10 (B) A COUNTY SHALL REIMBURSE THE DEPARTMENT OF JUVENILE  
11 SERVICES OR THE DEPARTMENT OF HUMAN RESOURCES THE AMOUNT OF THE  
12 BASIC COST CALCULATED UNDER SUBSECTION (A) OF THIS SECTION FOR EACH  
13 CHILD WHO WAS DOMICILED IN THE COUNTY PRIOR TO THE PLACEMENT IF:

14 (1) THE DEPARTMENT OF JUVENILE SERVICES OR THE  
15 DEPARTMENT OF HUMAN RESOURCES PLACES A CHILD WHO IS IN  
16 STATE-SUPERVISED CARE IN A NONPUBLIC RESIDENTIAL PLACEMENT THAT  
17 ALSO PROVIDES THE EDUCATION PROGRAM FOR THE CHILD; AND

18 (2) THE CHILD DOES NOT MEET THE CRITERIA FOR SHARED  
19 STATE AND LOCAL PAYMENT OF EDUCATIONAL COSTS AS PROVIDED IN §§ 8-406  
20 AND 8-415 OF THIS TITLE.

21 **8-710.**

22 (a) In addition to the funds disbursed in accordance with § 8-709 of this  
23 subtitle, [the Governor shall appropriate funds] **EACH COUNTY BOARD SHALL PAY** to  
24 the Department **AN AMOUNT DETERMINED** in accordance with this section to cover  
25 the transportation, boarding, and administrative costs of a program.

26 (b) [(1) Subject to paragraph (3) of this subsection, beginning in fiscal year  
27 2009, the Governor shall appropriate at] **THE DEPARTMENT SHALL DETERMINE:**

28 (1) **THE TOTAL TRANSPORTATION, BOARDING, AND**  
29 **ADMINISTRATIVE COSTS OF A PROGRAM TO BE PAID BY THE COUNTY BOARDS**  
30 **UNDER THIS SECTION EQUAL TO:**

31 (I) **AT** least \$2,000,000 [to the Department] in order for a  
32 program to serve up to 80 students[.]; **AND**

1           **[(2)] (II)** For each additional 10 students enrolled in a program, [as  
2 reported by the Department, the Governor shall appropriate] an additional  
3 \$250,000[.]; AND

4           **[(3)** The total amount of funds appropriated under this subsection may  
5 not exceed \$10,000,000 for any fiscal year]

6           **(2) A PER PUPIL SHARE OF THE TOTAL COSTS DETERMINED**  
7 **UNDER ITEM (1) OF THIS SUBSECTION.**

8           **(C) EACH COUNTY BOARD SHALL PAY TO THE DEPARTMENT THE PER**  
9 **PUPIL SHARE DETERMINED UNDER SUBSECTION (B) OF THIS SECTION FOR**  
10 **EACH STUDENT WHO PARTICIPATES IN A PROGRAM BUT IS DOMICILED IN THE**  
11 **COUNTY.**

12           **[(c)] (D)** This section may not be construed to prohibit a program from  
13 receiving funds from private, federal, or other sources.

14 11–105.

15           (o) (1) The Commission may require an application fee from an institution  
16 of postsecondary education seeking [certification]:

17                   **(I) CERTIFICATION** to operate in the State; OR

18                   **(II) APPROVAL OF ANY ACADEMIC PROGRAM ACTION TAKEN**  
19 **UNDER SUBTITLE 2 OF THIS TITLE.**

20           **(2) (I) THE REVENUES FROM APPLICATION FEES SHALL BE**  
21 **DISTRIBUTED TO A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO §**  
22 **7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

23                   **(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,**  
24 **THE SPECIAL FUND MAY BE USED ONLY TO CARRY OUT THE PROVISIONS OF**  
25 **SUBTITLE 2 OF THIS TITLE.**

26                   **(III) AT THE END OF EACH FISCAL YEAR, ANY AMOUNT IN**  
27 **EXCESS OF \$100,000 SHALL REVERT TO THE GENERAL FUND.**

28                   **(IV) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE**  
29 **CREDITED TO THE GENERAL FUND.**

30           **(3)** Subject to the provisions of § 11–203 of this title, the Commission  
31 may require bonds or other financial guaranties from institutions of postsecondary  
32 education seeking certification or recertification to operate in the State.

1 14-405.

2 (b) (2) (i) For fiscal year 1993, the grant shall be as provided for in the  
3 State fiscal year 1993 appropriation.

4 (II) FOR FISCAL YEAR 2012, THE GRANT SHALL EQUAL 90%  
5 OF THE GRANT FOR FISCAL YEAR 2011.

6 [(ii)] (III) For fiscal year [1994] 2013 and each year thereafter,  
7 the proposed grant shall be equal to the grant of the prior year augmented by funds  
8 required to offset inflation as indicated by the implicit price deflator for State and local  
9 government.

10 16-305.

11 (c) (1) (i) The total State operating fund per full-time equivalent  
12 student to the community colleges for each fiscal year as requested by the Governor  
13 shall be:

14 1. In fiscal year 2009, not less than an amount equal to  
15 26.25% of the State's General Fund appropriation per full-time equivalent student to  
16 the 4-year public institutions of higher education in the State as designated by the  
17 Commission for the purpose of administering the Joseph A. Sellinger Program under  
18 Title 17 of this article in the previous fiscal year;

19 2. In fiscal year 2010, not less than an amount equal to  
20 23.6% of the State's General Fund appropriation per full-time equivalent student to  
21 the 4-year public institutions of higher education in the State as designated by the  
22 Commission for the purpose of administering the Joseph A. Sellinger Program under  
23 Title 17 of this article in the same fiscal year;

24 3. In fiscal year 2011, not less than an amount equal to  
25 21.8% of the State's General Fund appropriation per full-time equivalent student to  
26 the 4-year public institutions of higher education in the State as designated by the  
27 Commission for the purpose of administering the Joseph A. Sellinger Program under  
28 Title 17 of this article in the same fiscal year;

29 4. In fiscal year 2012, not less than an amount equal to  
30 20% of the State's General Fund appropriation per full-time equivalent student to the  
31 4-year public institutions of higher education in the State as designated by the  
32 Commission for the purpose of administering the Joseph A. Sellinger Program under  
33 Title 17 of this article in the same fiscal year; AND

34 5. In fiscal year 2013 AND IN EACH FISCAL YEAR  
35 THEREAFTER, not less than an amount equal to [21%] 19.5% of the State's General  
36 Fund appropriation per full-time equivalent student to the 4-year public institutions

1 of higher education in the State as designated by the Commission for the purpose of  
2 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
3 same fiscal year[;

4           6.     In fiscal year 2014, not less than an amount equal to  
5 22% of the State's General Fund appropriation per full-time equivalent student to the  
6 4-year public institutions of higher education in the State as designated by the  
7 Commission for the purpose of administering the Joseph A. Sellinger Program under  
8 Title 17 of this article in the same fiscal year;

9           7.     In fiscal year 2015, not less than an amount equal to  
10 23% of the State's General Fund appropriation per full-time equivalent student to the  
11 4-year public institutions of higher education in the State as designated by the  
12 Commission for the purpose of administering the Joseph A. Sellinger Program under  
13 Title 17 of this article in the same fiscal year;

14           8.     In fiscal year 2016, not less than an amount equal to  
15 24% of the State's General Fund appropriation per full-time equivalent student to the  
16 4-year public institutions of higher education in the State as designated by the  
17 Commission for the purpose of administering the Joseph A. Sellinger Program under  
18 Title 17 of this article in the same fiscal year;

19           9.     In fiscal year 2017, not less than an amount equal to  
20 25% of the State's General Fund appropriation per full-time equivalent student to the  
21 4-year public institutions of higher education in the State as designated by the  
22 Commission for the purpose of administering the Joseph A. Sellinger Program under  
23 Title 17 of this article in the same fiscal year;

24           10.    In fiscal year 2018, not less than an amount equal to  
25 26% of the State's General Fund appropriation per full-time equivalent student to the  
26 4-year public institutions of higher education in the State as designated by the  
27 Commission for the purpose of administering the Joseph A. Sellinger Program under  
28 Title 17 of this article in the same fiscal year;

29           11.    In fiscal year 2019, not less than an amount equal to  
30 27% of the State's General Fund appropriation per full-time equivalent student to the  
31 4-year public institutions of higher education in the State as designated by the  
32 Commission for the purpose of administering the Joseph A. Sellinger Program under  
33 Title 17 of this article in the same fiscal year;

34           12.    In fiscal year 2020, not less than an amount equal to  
35 28% of the State's General Fund appropriation per full-time equivalent student to the  
36 4-year public institutions of higher education in the State as designated by the  
37 Commission for the purpose of administering the Joseph A. Sellinger Program under  
38 Title 17 of this article in the same fiscal year; and

1                   13. In fiscal year 2021 and each fiscal year thereafter, not  
2 less than an amount equal to 29% of the State's General Fund appropriation per  
3 full-time equivalent student to the 4-year public institutions of higher education in  
4 the State as designated by the Commission for the purpose of administering the  
5 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year].

6                   (ii) For purposes of this subsection, the State's General Fund  
7 appropriation per full-time equivalent student to the 4-year public institutions of  
8 higher education in the State for a fiscal year shall include noncapital appropriations  
9 from the Higher Education Investment Fund.

10                   (iii) Notwithstanding the provisions of subparagraph (i) of this  
11 paragraph, the total State operating funds to be distributed under this subsection to  
12 the community colleges [for each of fiscal years 2011 and 2012] shall be:

13                               1.     \$194,407,432 FOR FISCAL YEAR 2011; AND

14                               2.     \$184,687,060 FOR FISCAL YEAR 2012.

15 16-310.

16                   (d) (1) Notwithstanding subsection (b) of this section, if any student is a  
17 resident of this State and enrolls in an instructional program that the Commission  
18 designates as a health manpower shortage program or a statewide or regional  
19 program, the student shall pay only the student tuition and fees payable by a resident  
20 of a county that supports the community college and the Commission shall pay any  
21 applicable out-of-county fee. For any fiscal year **BEGINNING ON OR AFTER JULY 1,**  
22 **2011**, if State appropriations to the Commission for payment of any applicable  
23 out-of-county fee under this paragraph do not provide sufficient funds to fully  
24 reimburse applicable out-of-county fees, [the Governor shall include in the budget bill  
25 for the next fiscal year a deficiency appropriation to provide the additional funds to  
26 fully reimburse the out-of-county fees] **THE COMMISSION SHALL PRORATE THE**  
27 **REIMBURSEMENT FOR THE OUT-OF-COUNTY FEES.**

28 16-512.

29                   (a) (1) The total State operating fund per full-time equivalent student  
30 appropriated to Baltimore City Community College for each fiscal year as requested by  
31 the Governor shall be:

32                   (i) In fiscal year 2009, not less than an amount equal to 67.25%  
33 of the State's General Fund appropriation per full-time equivalent student to the  
34 4-year public institutions of higher education in the State as designated by the  
35 Commission for the purpose of administering the Joseph A. Sellinger Program under  
36 Title 17 of this article in the previous fiscal year;

1 (ii) In fiscal year 2010, not less than an amount equal to 65.1%  
2 of the State's General Fund appropriation per full-time equivalent student to the  
3 4-year public institutions of higher education in the State as designated by the  
4 Commission for the purpose of administering the Joseph A. Sellinger Program under  
5 Title 17 of this article in the same fiscal year;

6 (iii) In fiscal year 2011, not less than an amount equal to 65.5%  
7 of the State's General Fund appropriation per full-time equivalent student to the  
8 4-year public institutions of higher education in the State as designated by the  
9 Commission for the purpose of administering the Joseph A. Sellinger Program under  
10 Title 17 of this article in the same fiscal year;

11 (iv) In fiscal year 2012, not less than an amount equal to 63% of  
12 the State's General Fund appropriation per full-time equivalent student to the 4-year  
13 public institutions of higher education in the State as designated by the Commission  
14 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of  
15 this article in the same fiscal year; **AND**

16 (v) In fiscal year 2013 **AND EACH FISCAL YEAR THEREAFTER**,  
17 not less than an amount equal to **[63.5%] 65.5%** of the State's General Fund  
18 appropriation per full-time equivalent student to the 4-year public institutions of  
19 higher education in the State as designated by the Commission for the purpose of  
20 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
21 same fiscal year[;

22 (vi) In fiscal year 2014, not less than an amount equal to 64% of  
23 the State's General Fund appropriation per full-time equivalent student to the 4-year  
24 public institutions of higher education in the State as designated by the Commission  
25 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of  
26 this article in the same fiscal year;

27 (vii) In fiscal year 2015, not less than an amount equal to 64.5%  
28 of the State's General Fund appropriation per full-time equivalent student to the  
29 4-year public institutions of higher education in the State as designated by the  
30 Commission for the purpose of administering the Joseph A. Sellinger Program under  
31 Title 17 of this article in the same fiscal year;

32 (viii) In fiscal year 2016, not less than an amount equal to 65% of  
33 the State's General Fund appropriation per full-time equivalent student to the 4-year  
34 public institutions of higher education in the State as designated by the Commission  
35 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of  
36 this article in the same fiscal year;

37 (ix) In fiscal year 2017, not less than an amount equal to 65.5%  
38 of the State's General Fund appropriation per full-time equivalent student to the  
39 4-year public institutions of higher education in the State as designated by the

1 Commission for the purpose of administering the Joseph A. Sellinger Program under  
2 Title 17 of this article in the same fiscal year;

3 (x) In fiscal year 2018, not less than an amount equal to 66% of  
4 the State's General Fund appropriation per full-time equivalent student to the 4-year  
5 public institutions of higher education in the State as designated by the Commission  
6 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of  
7 this article in the same fiscal year;

8 (xi) In fiscal year 2019, not less than an amount equal to 66.5%  
9 of the State's General Fund appropriation per full-time equivalent student to the  
10 4-year public institutions of higher education in the State as designated by the  
11 Commission for the purpose of administering the Joseph A. Sellinger Program under  
12 Title 17 of this article in the same fiscal year;

13 (xii) In fiscal year 2020, not less than an amount equal to 67.5%  
14 of the State's General Fund appropriation per full-time equivalent student to the  
15 4-year public institutions of higher education in the State as designated by the  
16 Commission for the purpose of administering the Joseph A. Sellinger Program under  
17 Title 17 of this article in the same fiscal year; and

18 (xiii) In fiscal year 2021 and each fiscal year thereafter, not less  
19 than an amount equal to 68.5% of the State's General Fund appropriation per  
20 full-time equivalent student to the 4-year public institutions of higher education in  
21 the State as designated by the Commission for the purpose of administering the  
22 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year].

23 (2) For purposes of this subsection, the State's General Fund  
24 appropriation per full-time equivalent student to the 4-year public institutions of  
25 higher education in the State for a fiscal year shall include noncapital appropriations  
26 from the Higher Education Investment Fund.

27 (3) Notwithstanding the provisions of paragraph (1) of this subsection,  
28 the total State operating fund appropriated to Baltimore City Community College  
29 under this section [for each of fiscal years 2011 and 2012] shall be:

30 (I) \$40,187,695 FOR FISCAL YEAR 2011; AND

31 (II) \$37,698,683 FOR FISCAL YEAR 2012.

32 17-103.

33 (a) The Maryland Higher Education Commission shall determine which  
34 institutions are eligible for aid under this subtitle.

1 (b) To qualify for State aid under this subtitle, an institution of higher  
2 education shall **HAVE A TOTAL ENDOWMENT OF LESS THAN \$1,000,000,000 AND**  
3 **SHALL:**

4 (1) Be:

5 (i) A nonprofit private college or university that was  
6 established in the State before July 1, 1970;

7 (ii) A nonprofit private institution of higher education that  
8 formerly received State aid as a component of a private college or university that was  
9 established in this State before July 1, 1970; or

10 (iii) A private nonprofit institution of higher education that is  
11 established in this State and grants an associate of arts degree;

12 (2) Be approved by the Maryland Higher Education Commission;

13 (3) Be accredited by the Commission on Higher Education of the  
14 Middle States Association of Colleges and Schools;

15 (4) Have awarded the associate of arts or baccalaureate degrees to at  
16 least one graduating class;

17 (5) Maintain one or more earned degree programs, other than  
18 seminarian or theological programs, leading to an associate of arts or baccalaureate  
19 degree; and

20 (6) Submit each new program and each major modification of an  
21 existing program to the Maryland Higher Education Commission for its review and  
22 recommendation as to the initiation of the new or modified program.

23 17–104.

24 (a) (1) Except as provided in paragraph (2) of this subsection, the  
25 Maryland Higher Education Commission shall compute the amount of the annual  
26 apportionment for each institution that qualifies under this subtitle by multiplying the  
27 number of full-time equivalent students enrolled at the institution during the fall  
28 semester of the fiscal year preceding the fiscal year for which the aid apportionment is  
29 made, as determined by the Maryland Higher Education Commission by:

30 (i) In fiscal year 2009, an amount not less than 16% of the  
31 State's General Fund per full-time equivalent student appropriation to the 4-year  
32 public institutions of higher education in this State for the preceding fiscal year;

1 (ii) In fiscal year 2010, an amount not less than 12.85% of the  
2 State's General Fund per full-time equivalent student appropriation to the 4-year  
3 public institutions of higher education in the State for the same fiscal year;

4 (iii) In fiscal year 2011, an amount not less than 9.8% of the  
5 State's General Fund per full-time equivalent student appropriation to the 4-year  
6 public institutions of higher education in this State for the same fiscal year;

7 (iv) In fiscal year 2012, an amount not less than 9.2% of the  
8 State's General Fund per full-time equivalent student appropriation to the 4-year  
9 public institutions of higher education in this State for the same fiscal year; **AND**

10 (v) In fiscal year 2013 **AND EACH FISCAL YEAR THEREAFTER**,  
11 an amount not less than 10% of the State's General Fund per full-time equivalent  
12 student appropriation to the 4-year public institutions of higher education in this  
13 State for the same fiscal year[;

14 (vi) In fiscal year 2014, an amount not less than 10.5% of the  
15 State's General Fund per full-time equivalent student appropriation to the 4-year  
16 public institutions of higher education in this State for the same fiscal year;

17 (vii) In fiscal year 2015, an amount not less than 11% of the  
18 State's General Fund per full-time equivalent student appropriation to the 4-year  
19 public institutions of higher education in this State for the same fiscal year;

20 (viii) In fiscal year 2016, an amount not less than 11.5% of the  
21 State's General Fund per full-time equivalent student appropriation to the 4-year  
22 public institutions of higher education in this State for the same fiscal year;

23 (ix) In fiscal year 2017, an amount not less than 12% of the  
24 State's General Fund per full-time equivalent student appropriation to the 4-year  
25 public institutions of higher education in this State for the same fiscal year;

26 (x) In fiscal year 2018, an amount not less than 13% of the  
27 State's General Fund per full-time equivalent student appropriation to the 4-year  
28 public institutions of higher education in this State for the same fiscal year;

29 (xi) In fiscal year 2019, an amount not less than 14% of the  
30 State's General Fund per full-time equivalent student appropriation to the 4-year  
31 public institutions of higher education in this State for the same fiscal year;

32 (xii) In fiscal year 2020, an amount not less than 15% of the  
33 State's General Fund per full-time equivalent student appropriation to the 4-year  
34 public institutions of higher education in this State for the same fiscal year; and

35 (xiii) In fiscal year 2021 and each fiscal year thereafter, an  
36 amount not less than 15.5% of the State's General Fund per full-time equivalent

1 student appropriation to the 4-year public institutions of higher education in this  
2 State for the same fiscal year].

3 (2) (I) [For each of fiscal years 2011 and 2012, the] **THE** total  
4 amount of the aid provided under this subtitle shall be:

5 1. \$38,445,958[, to] **FOR FISCAL YEAR 2011; AND**

6 2. **\$20,760,019 FOR FISCAL YEAR 2012.**

7 (II) **THE AID PROVIDED UNDER THIS SUBTITLE FOR EACH**  
8 **OF FISCAL YEARS 2011 AND 2012 SHALL** be allocated among the institutions that  
9 qualify under this subtitle in proportion to the number of full-time equivalent  
10 students enrolled at each institution during the fall semester of the fiscal year  
11 preceding the fiscal year for which the aid apportionment is made, as determined by  
12 the Maryland Higher Education Commission.

13 **18-1107.**

14 **NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSION**  
15 **MAY NOT AWARD ANY NEW SCHOLARSHIPS UNDER THIS SUBTITLE FOR THE**  
16 **2011-2012 ACADEMIC YEAR OR FOR ANY SUBSEQUENT ACADEMIC YEAR.**

17 **23-205.**

18 (c) (1) Each year each participating regional resource center shall receive  
19 a minimum amount of funding for each resident of the area served, to be used for  
20 operating and capital expenses.

21 (2) The allocation shall be calculated as follows:

22 (i) [For fiscal year 2009.....\$6.50 per each resident of the  
23 area served;

24 (ii) For fiscal year 2010.....\$6.75 per each resident of the  
25 area served;

26 (iii) For **EACH OF** fiscal [year] **YEARS 2011 THROUGH**  
27 **2016.....\$6.75 per each resident of the area served; [and]**

28 (II) **FOR FISCAL YEAR 2017.....\$7.00 PER EACH**  
29 **RESIDENT OF THE AREA SERVED;**

30 (III) **FOR FISCAL YEAR 2018.....\$7.25 PER EACH**  
31 **RESIDENT OF THE AREA SERVED; AND**

1 (iv) For fiscal year [2012] **2019** and each fiscal year  
2 thereafter.....\$7.50 per each resident of the area served.

3 (d) (1) Each year the State Library Resource Center shall receive a  
4 minimum amount of funding for each State resident in the previous fiscal year, to be  
5 used for operating and capital expenses.

6 (2) The allocation shall be calculated as follows:

7 (i) [For fiscal year 2009.....\$1.85 per State resident;

8 (ii)] For each of fiscal years 2010 [and 2011] **THROUGH**  
9 **2016**.....\$1.67 per State resident; [and]

10 **(II) FOR FISCAL YEAR 2017.....\$1.73 PER STATE**  
11 **RESIDENT;**

12 **(III) FOR FISCAL YEAR 2018.....\$1.79 PER STATE**  
13 **RESIDENT; AND**

14 [(iii)] **(IV) For fiscal year [2012] 2019** and each fiscal year  
15 thereafter.....\$1.85 per State resident.

16 23–503.

17 (b) (1) Each county public library system that participates in the  
18 minimum library program shall be provided for each resident of the county, to be used  
19 for operating and capital expenses:

20 (i) [For fiscal year 2009 – \$14.00;

21 (ii) For fiscal year 2010 – \$14.00;

22 (iii)] For **EACH OF** fiscal [year] **YEARS 2011 THROUGH 2016 –**  
23 **\$14.00; [and]**

24 **(II) FOR FISCAL YEAR 2017 – \$14.30;**

25 **(III) FOR FISCAL YEAR 2018 – \$14.60; AND**

26 (iv) For fiscal year [2012] **2019** and each fiscal year thereafter –  
27 **\$15.00.**

28 **Article – Financial Institutions**

29 13–1114.

1 (g) (3) (i) Up to 10% of Program Open Space funds transferred to the  
2 Authority may be used to pay the operating expenses of the Authority.

3 (ii) Up to 50% of Program Open Space funds transferred to the  
4 Authority may be expended for debt service on bonds issued by the Authority.

5 (III) FOR FISCAL YEAR 2012 ONLY, AN ADDITIONAL \$500,000  
6 OF PROGRAM OPEN SPACE FUNDS TRANSFERRED TO THE AUTHORITY MAY BE  
7 USED TO PAY OPERATING EXPENSES IN THE DEPARTMENT OF PLANNING.

### 8 Article – Health – General

9 2–301.

10 The Governor shall include in the State budget, beginning with fiscal year 1997,  
11 [at a minimum, sufficient] funds for local health services as required by this subtitle.

12 2–302.

13 (b) The funding shall be:

14 (2) For fiscal year 2013 and each subsequent fiscal year, \$37,283,484  
15 adjusted for[:

16 (i) Inflation, as measured by the Consumer Price Index (All  
17 Urban Consumers), for the second preceding fiscal year, calculated by the U.S.  
18 Department of Commerce; and

19 (ii) Population] POPULATION growth, as measured by the  
20 growth in the total population of the State of Maryland for the second preceding fiscal  
21 year, according to the most recent statistics available through the Department of  
22 Health and Mental Hygiene.

23 14–401.

24 (B) “ACCREDITATION ORGANIZATION” MEANS A PRIVATE ENTITY THAT  
25 CONDUCTS INSPECTIONS AND SURVEYS OF YOUTH CAMPS BASED ON  
26 NATIONALLY RECOGNIZED AND DEVELOPED STANDARDS.

27 14–402.

28 (a) This subtitle and the regulations issued under this subtitle do not apply  
29 to:

30 (1) Purely social activities of a family or the guests of a family;

1           (2)   [Subject to subsection (b) of this section, programs] **PROGRAMS** or  
2 activities directed or operated by a board of recreation, recreation department, or  
3 similar public unit of a county, a municipal corporation, as defined by Article 23A of  
4 the Code, or the Maryland–National Capital Park and Planning Commission, that  
5 involve use of neighborhood facilities, including:

- 6                   (i)    Schools;
- 7                   (ii)   Playgrounds;
- 8                   (iii)   Parks; or
- 9                   (iv)   Recreation centers;

10           (3)   [Subject to subsection (c) of this section, programs] **PROGRAMS** or  
11 activities directed or operated by an agency of the State that involve occasional use of  
12 public facilities including:

- 13                   (i)    Schools;
- 14                   (ii)   Playgrounds;
- 15                   (iii)   Parks; or
- 16                   (iv)   Recreation centers; or

17           (4)   Youth overnight programs sponsored by religious or community  
18 organizations operating or conducted for not more than 5 consecutive days during any  
19 1 calendar year, such as a vacation bible school, youth bike trip, and similar activities.

20           **(B)   EACH LOCAL GOVERNMENT SHALL ADOPT HEALTH AND SAFETY**  
21 **STANDARDS PERTAINING TO THE OPERATION OF YOUTH CAMPS.**

22   **14–403.**

23           **THE SECRETARY MAY ADOPT REGULATIONS TO IMPLEMENT THE**  
24 **REQUIREMENTS OF THIS SUBTITLE.**

25   **14–404.**

26           **(A)   EACH YOUTH CAMP OPERATED IN THIS STATE SHALL BE**  
27 **ACCREDITED BY AN ACCREDITATION ORGANIZATION.**

28           **(B)   THE SECRETARY SHALL MAINTAIN A LIST OF ACCREDITED YOUTH**  
29 **CAMPS.**

1 14-405.

2 (A) AN ACCREDITATION ORGANIZATION SHALL APPLY TO THE  
3 SECRETARY FOR APPROVAL.

4 (B) PRIOR TO APPROVAL OF AN ACCREDITATION ORGANIZATION, THE  
5 SECRETARY SHALL:

6 (1) DETERMINE THAT THE STANDARDS OF THE ACCREDITATION  
7 ORGANIZATION ARE EQUAL TO OR MORE STRINGENT THAN EXISTING STATE  
8 REQUIREMENTS;

9 (2) EVALUATE THE SURVEY OR INSPECTION PROCESS OF THE  
10 ACCREDITATION ORGANIZATION TO ENSURE THE INTEGRITY OF THE SURVEY OR  
11 INSPECTION PROCESS; AND

12 (3) ENTER INTO A FORMAL WRITTEN AGREEMENT WITH THE  
13 ACCREDITATION ORGANIZATION THAT INCLUDES REQUIREMENTS FOR:

14 (I) NOTICE OF ALL SURVEYS AND INSPECTIONS;

15 (II) SHARING OF COMPLAINTS AND OTHER RELEVANT  
16 INFORMATION;

17 (III) PARTICIPATION OF THE DEPARTMENT IN  
18 ACCREDITATION ORGANIZATION ACTIVITIES; AND

19 (IV) ANY OTHER PROVISION NECESSARY TO ENSURE THE  
20 INTEGRITY OF THE ACCREDITATION PROCESS.

21 (C) (1) WHEN AN APPROVED ACCREDITATION ORGANIZATION HAS  
22 ISSUED A FINAL REPORT FINDING A YOUTH CAMP TO BE IN SUBSTANTIAL  
23 COMPLIANCE WITH THE ACCREDITATION ORGANIZATION'S STANDARDS, THE  
24 SECRETARY SHALL ADD THE YOUTH CAMP TO THE LIST OF ACCREDITED YOUTH  
25 CAMPS.

26 (2) A YOUTH CAMP THAT FAILS TO ACHIEVE SUBSTANTIAL  
27 COMPLIANCE WITH THE STANDARDS OF AN APPROVED ACCREDITATION  
28 ORGANIZATION MAY NOT OPERATE IN THIS STATE.

29 (D) (1) AN APPROVED ACCREDITATION ORGANIZATION SHALL SEND  
30 THE DEPARTMENT ANY PRELIMINARY AND FINAL REPORT OF EACH INSPECTION  
31 AND SURVEY AT THE TIME IT IS SENT TO THE YOUTH CAMP.

1           **(2) A FINAL REPORT OF AN APPROVED ACCREDITATION**  
2 **ORGANIZATION SHALL BE MADE IMMEDIATELY AVAILABLE TO THE PUBLIC ON**  
3 **REQUEST.**

4           **(3) A PRELIMINARY OR FINAL REPORT OF AN APPROVED**  
5 **ACCREDITATION ORGANIZATION IS NOT ADMISSIBLE IN EVIDENCE IN ANY CIVIL**  
6 **ACTION OR PROCEEDING.**

7           **(E) THE DEPARTMENT MAY PARTICIPATE IN OR OBSERVE A SURVEY OR**  
8 **INSPECTION OF A YOUTH CAMP CONDUCTED BY AN APPROVED ACCREDITATION**  
9 **ORGANIZATION.**

10           **(F) ON A DETERMINATION BY THE SECRETARY THAT AN APPROVED**  
11 **ACCREDITATION ORGANIZATION HAS FAILED TO MEET ITS OBLIGATIONS UNDER**  
12 **THIS SECTION, THE SECRETARY MAY WITHDRAW THE APPROVAL FROM THE**  
13 **ACCREDITATION ORGANIZATION.**

14 **[14-411.] 14-406.**

15           This subtitle may be cited as the “Maryland Youth Camp Act”.

16 19-214.

17           (b) The Commission may adopt regulations establishing alternative methods  
18 for financing the reasonable total costs of hospital uncompensated care **AND**  
19 **HOSPITAL GRADUATE MEDICAL EDUCATION** provided that the alternative methods:

20           (1) Are in the public interest;

21           (2) Will equitably distribute the reasonable costs of uncompensated  
22 care **AND GRADUATE MEDICAL EDUCATION**;

23           (3) Will fairly determine the cost of reasonable uncompensated care  
24 **AND GRADUATE MEDICAL EDUCATION** included in hospital rates;

25           (4) Will continue incentives for hospitals to adopt fair, efficient, and  
26 effective credit and collection policies; and

27           (5) Will not result in significantly increasing costs to Medicare or the  
28 loss of Maryland’s Medicare Waiver under § 1814(b) of the Social Security Act.

29           (c) Any funds generated through hospital rates under an alternative method  
30 adopted by the Commission in accordance with subsection (b) of this section may only  
31 be used to finance the delivery of hospital uncompensated care **AND HOSPITAL**  
32 **GRADUATE MEDICAL EDUCATION.**

1 19-310.1.

2 (b) (1) The Department may impose a quality assessment on each  
3 freestanding nursing facility subject to this section.

4 (2) The amount assessed in the aggregate on all nursing facilities may  
5 not exceed [4%] **5.5%** of the operating revenue for all nursing facilities subject to this  
6 section for the previous fiscal quarter.

7 (3) The assessment authorized by this section shall be paid by each  
8 nursing facility in accordance with this section.

9 **Article – Insurance**

10 14-106.

11 (d) (1) Notwithstanding subsection (c) of this section, a nonprofit health  
12 service plan that is subject to this section and issues comprehensive health care  
13 benefits in the State shall:

14 (iv) subsidize the [Maryland Pharmacy Discount Program under  
15 § 15-124.1] **KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3** of the  
16 Health – General Article; and

17 (2) (i) **[The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**  
18 **THIS PARAGRAPH, THE** support provided under [paragraph (1)(v)1, 3, and 4 of]  
19 **PARAGRAPH (1)(IV) AND (V) OF** this subsection to the **DEPARTMENT OF HEALTH**  
20 **AND MENTAL HYGIENE FOR THE** Community Health Resources Commission **AND**  
21 **THE KIDNEY DISEASE PROGRAM** shall be [limited to:

22 1. \$2,000,000 in fiscal year 2006; and

23 2. in fiscal year 2007 and annually thereafter,] the value  
24 of the premium tax exemption less[:

25 A.] the subsidy required under this subsection for the  
26 Senior Prescription Drug Assistance Program[;

27 B. the subsidy required under this subsection for the  
28 Maryland Pharmacy Discount Program; and

29 C. the funding required under this subsection for the  
30 unified data information system.

31 (ii) The subsidy provided under paragraph (1)(iv) of this  
32 subsection for the Maryland Pharmacy Discount Program shall be limited to:

- 1                                   1.     \$500,000 in fiscal year 2006; and  
 2                                   2.     \$300,000 in fiscal year 2007 and annually thereafter.

3                                   (iii) The amount provided under paragraph (1)(v)2 of this  
 4 subsection to fund a unified data information system shall be limited to:

- 5                                   1.     \$500,000 in fiscal year 2006; and  
 6                                   2.     \$1,700,000 in fiscal year 2007 and annually  
 7 thereafter].

8                                   **(II) FOR EACH OF FISCAL YEARS 2012 AND 2013, THE**  
 9 **SUBSIDY PROVIDED UNDER THIS SUBSECTION TO THE DEPARTMENT OF**  
 10 **HEALTH AND MENTAL HYGIENE FOR THE COMMUNITY HEALTH RESOURCES**  
 11 **COMMISSION MAY NOT BE LESS THAN \$3,000,000.**

12 14–106.1.

13                                   Beginning in fiscal year 2006, a nonprofit health service plan shall transfer  
 14 funds in the amounts provided under § 14–106(d)(2) of this subtitle to **THE**  
 15 **DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR:**

16                                   (1) the Community Health Resources Commission Fund established  
 17 under § 19–2201 of the Health – General Article to support the costs of the  
 18 Community Health Resources Commission as provided in § 14–106(d)(1)(v) of this  
 19 subtitle; and

20                                   (2) [the Department of Health and Mental Hygiene to subsidize the  
 21 Maryland Pharmacy Discount Program under § 15–124.1 of the Health – General  
 22 Article] **THE KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3 OF THE**  
 23 **HEALTH – GENERAL ARTICLE.**

24                                   **Article – Labor and Employment**

25 2–107.

26                                   **[(g) (F)]** Notwithstanding the funding provisions of § 3–919 of this article,  
 27 for fiscal year **[2007] 2012** and for each subsequent fiscal year, the Governor shall  
 28 include in the annual budget bill submitted to the General Assembly an appropriation  
 29 for the Division of Labor and Industry sufficient to implement the provisions of this  
 30 section, including **[amounts] AN AMOUNT** not less than**[:]**

31                                   (1) \$315,000 for implementation of the Employment Standards Service  
 32 Unit in the Division**[:]** and

1 (2) \$385,000 for implementation of the Prevailing Wage Unit in the  
2 Division].

### 3 Article – Natural Resources

4 5–212.

5 (g) The Fund may be used only for:

6 (1) [(i)] Purchasing and managing in the name of the State lands  
7 suitable for forest culture, reserves, watershed protection, State parks, scenic  
8 preserves, historic monuments, parkways, and State recreational reserves; [and]

9 [(ii)] (2) Helping to offset the costs to the Forest and Park  
10 Service for developing and implementing a forest health emergency contingency  
11 program under § 5–307 of this title; AND

12 [(2) Annual payments to counties in the amount of:

13 (i) If the State forest or park reserve comprises less than 10% of  
14 the total land area of the county, a sum equal to 15% of the revenue derived from the  
15 State forest or park reserve located in that county; and

16 (ii) If the State forest or park reserve comprises 10% or more of  
17 the total land area of the county, a sum equal to 25% of the revenue derived from the  
18 State forest or park reserve located in that county; and]

19 (3) Administrative costs calculated in accordance with § 1–103(b)(2) of  
20 this article.

21 5–212.1.

22 (g) [(1)] [Except as provided in paragraph (2) of this subsection, the] **THE**  
23 Account shall be used only for:

24 [(i)] (1) The maintenance and operation of concession  
25 operations;

26 [(ii)] (2) The function of State forests and parks to the extent  
27 of the projected balance of the Account from the prior fiscal year; and

28 [(iii)] (3) Administrative costs calculated in accordance with §  
29 1–103(b)(2) of this article.

30 [(2) Each county in which any State forest or park is located shall be  
31 paid annually out of the Account:

1 (i) If the State forest or park reserve comprises less than 10% of  
2 the total land area of the county, a sum equal to 15% of the net revenue derived from  
3 concession operations within a State forest or park located in that county; or

4 (ii) If the State forest or park reserve comprises 10% or more of  
5 the total land area of the county, a sum equal to 25% of the net revenue derived from  
6 concession operations within a State forest or park located in that county.]

7 5–215.

8 (b) (1) There is a Deep Creek Lake Recreation Maintenance and  
9 Management Fund in the Department [for the maintenance and management of the  
10 land, recreational facilities, and services that are related to Deep Creek Lake in  
11 Garrett County].

12 (2) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
13 **SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

14 (c) (1) [Except as provided in paragraphs (2) and (4) of this subsection,  
15 the] **THE** Department shall pay [all] **INTO THE FUND:**

16 (I) **ALL** fees collected for boat launching at Deep Creek Lake  
17 State Park[, all]

18 (II) **ALL** funds collected from lake and buffer use permits[.];  
19 **AND**

20 (III) **ALL** contracts, grants, and gifts as a result of the Deep  
21 Creek Lake management program[, and any investment earnings of the Fund, into the  
22 Fund].

23 (2) [At the end of each quarter of the fiscal year, the Department shall  
24 pay 25% of the total revenue collected during the quarter under paragraph (1) of this  
25 subsection to the Board of County Commissioners of Garrett County.

26 (3) (i) The Fund is a special, nonlapsing fund that is not subject to  
27 § 7–302 of the State Finance and Procurement Article.

28 (ii) Any investment earnings of the Fund may not be  
29 transferred or revert to the General Fund of the State, but shall remain in the Fund.

30 (4) Moneys in the Fund may be used for [administrative]:

31 (I) **THE MAINTENANCE AND MANAGEMENT OF THE LAND**  
32 **AND RECREATIONAL FACILITIES;**

1                           **(II) SERVICES THAT ARE RELATED TO DEEP CREEK LAKE**  
 2 **IN GARRETT COUNTY; AND**

3                           **(III) ADMINISTRATIVE** costs calculated in accordance with §  
 4 1-103(b)(2) of this article.

5                           **Article – State Finance and Procurement**

6 3A-309.

7           (e)     Except as provided in subsection (f) of this section, the Fund consists of:

8                   (1)     money appropriated in the State budget to the Fund;

9                   (2)     money received from the sale, lease, or exchange of communication  
 10 sites or communication frequencies for information technology purposes as approved  
 11 by the Secretary;

12                   (3)     [money received as commissions, rebates, refunds, rate reductions,  
 13 or telecommunication bypass agreements resulting from information technology  
 14 services or purchases;

15                   (4)]     that portion of moneys earned from pay phone commissions to the  
 16 extent that the commission rates exceed those in effect in December 1993;

17                   [[5)] (4)     money received and accepted as contributions, grants, or  
 18 gifts as authorized under subsection (c) of this section;

19                   [[6)] (5)     general funds appropriated for major information technology  
 20 development projects of any unit of State government other than a public institution of  
 21 higher education that:

22                           (i)     are unencumbered and unexpended at the end of a fiscal  
 23 year;

24                           (ii)    have been abandoned; or

25                           (iii)  have been withheld by the General Assembly or the  
 26 Secretary;

27                   [[7)] (6)     any investment earnings; and

28                   [[8)] (7)     any other money from any source accepted for the benefit of  
 29 the Fund.

30 6-226.

1           (a)   **(1)**   Except as otherwise specifically provided by law or by regulation of  
2 the Treasurer, the Treasurer shall credit to the General Fund any interest on or other  
3 income from State money that the Treasurer invests.

4                   **(2) (I)**   **NOTWITHSTANDING ANY OTHER PROVISION OF LAW,**  
5 **AND UNLESS INCONSISTENT WITH A FEDERAL LAW, GRANT AGREEMENT, OR**  
6 **OTHER FEDERAL REQUIREMENT OR WITH THE TERMS OF A GIFT OR**  
7 **SETTLEMENT AGREEMENT, NET INTEREST ON ALL STATE MONEY ALLOCATED**  
8 **BY THE STATE TREASURER UNDER THIS SECTION TO SPECIAL FUNDS OR**  
9 **ACCOUNTS, AND OTHERWISE ENTITLED TO RECEIVE INTEREST EARNINGS, AS**  
10 **ACCOUNTED FOR BY THE COMPTROLLER, SHALL ACCRUE TO THE GENERAL**  
11 **FUND OF THE STATE.**

12                           **(II) THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS**  
13 **PARAGRAPH DO NOT APPLY TO THE FOLLOWING FUNDS:**

14                           1.   **MARYLAND HOUSING LOAN FUNDS OF 1976,**  
15 **1978, 1979, AND 1984;**

16                           2.   **MICROSOFT COST SHARE FUND;**

17                           3.   **SUBSEQUENT INJURY FUND;**

18                           4.   **UNINSURED EMPLOYERS' FUND;**

19                           5.   **STATE AGENCY LOAN PROGRAM FUND;**

20                           6.   **JANE E. LAWTON CONSERVATION LOAN**  
21 **PROGRAM;**

22                           7.   **ENERGY OVERCHARGE RESTITUTION FUND;**

23                           8.   **PEPCO/CONNECTIV SETTLEMENT FUND;**

24                           9.   **BASEBALL CAPITAL IMPROVEMENTS FUND;**

25                           10. **STATE VICTIMS OF CRIME FUND;**

26                           11. **JUVENILE ACCOUNTABILITY INCENTIVE BLOCK**  
27 **GRANT FUND;**

28                           12. **VICTIM AND WITNESS PROTECTION AND**  
29 **RELOCATION FUND;**

- 1                                   **13. UNCLAIMED RESTITUTION – VICTIMS OF CRIME;**
- 2                                   **14. JUSTICE ASSISTANCE GRANT;**
- 3                                   **15. BYRNE JUSTICE ASSISTANCE GRANT;**
- 4                                   **16. MARYLAND ELECTION MODERNIZATION FUND;**
- 5                                   **17. SCRIVEN ESTATE FUND;**
- 6                                   **18. VOLUNTEER COMPANY ASSISTANCE FUND;**
- 7                                   **19. RADOFF MEMORIAL FUND;**
- 8                                   **20. ARCHIVES ENDOWMENT ACCOUNT WITHIN THE**  
9 **ARCHIVES FUND;**
- 10                                   **21. ELLEFSON ENDOWMENT FUND;**
- 11                                   **22. ALBERT C. RITCHIE MEMORIAL FUND;**
- 12                                   **23. RATE STABILIZATION FUND;**
- 13                                   **24. MARYLAND HEALTH INSURANCE PLAN FUND;**
- 14                                   **25. FAIR CAMPAIGN FINANCING FUND;**
- 15                                   **26. STATE EMPLOYEES AND RETIREES HEALTH AND**  
16 **WELFARE BENEFITS FUND;**
- 17                                   **27. MAJOR INFORMATION TECHNOLOGY**  
18 **DEVELOPMENT PROJECT FUND;**
- 19                                   **28. STATE RETIREMENT AGENCY FUNDS;**
- 20                                   **29. POSTRETIREMENT HEALTH BENEFITS TRUST**  
21 **FUND;**
- 22                                   **30. MARYLAND EMERGENCY MEDICAL SYSTEM**  
23 **OPERATIONS FUND;**
- 24                                   **31. STATE WILDLIFE MANAGEMENT AND**  
25 **PROTECTION FUND;**





1 State budget as enacted by the General Assembly for the prior fiscal year, increased by  
2 not less than the percentage by which the projected total General Fund revenues for  
3 the upcoming fiscal year exceed the revised estimate of total General Fund revenues  
4 for the current fiscal year, as contained in the report of estimated State revenues  
5 submitted by the Board of Revenue Estimates to the Governor under § 6–106(b) of this  
6 article.]

7 **Article – State Personnel and Pensions**

8 2–508.

9 (b) (3) **NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION**  
10 **AND §§ 2–509 AND 2–509.1 OF THIS SUBTITLE, THE STATE MAY ESTABLISH**  
11 **SEPARATE HEALTH INSURANCE BENEFIT OPTIONS FOR RETIREES THAT DIFFER**  
12 **FROM THOSE FOR ACTIVE STATE EMPLOYEES.**

13 2–509.1.

14 (A) [The] **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,**  
15 **THE** State shall continue to include a prescription drug benefit plan in the health  
16 insurance benefit options established under the Program and available to retirees  
17 under §§ 2–508 and 2–509 of this subtitle notwithstanding the enactment of the  
18 federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or  
19 any other federal law permitting states to discontinue prescription drug benefit plans  
20 to retirees of a state.

21 (B) **THE STATE MAY DISCONTINUE PRESCRIPTION DRUG BENEFITS FOR**  
22 **MEDICARE–ELIGIBLE RETIREES IN FISCAL YEAR 2020.**

23 2–516.

24 (a) In this section, “Fund” means the State Employees and Retirees Health  
25 and Welfare Benefits Fund established under this section.

26 (b) (1) A special reserve fund is established to retain certain State  
27 revenues and State general and special funds for the purpose of funding the State  
28 Employee and Retiree Health and Welfare Benefits Program established under this  
29 subtitle.

30 (2) The Fund is a continuing, nonlapsing fund that is not subject to §  
31 7–302 of the State Finance and Procurement Article.

32 (3) [The Fund consists of the moneys distributed to the Fund under  
33 subsection (c) of this section.

34 (4) The Treasurer shall separately hold and the Comptroller shall  
35 account for the Fund.



1 (iv) the Local Fire and Police System, who transferred from the  
2 Employees' Retirement System; or

3 (v) the Teachers' Retirement System; [or]

4 (3) 62 years old, for a member of:

5 (i) the Employees' Pension System **WHO IS NOT SUBJECT TO**  
6 **THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE**  
7 **2, PART IV OF THIS ARTICLE;**

8 (ii) the Local Fire and Police System, who has not transferred  
9 from the Employees' Retirement System; or

10 (iii) the Teachers' Pension System **WHO IS NOT SUBJECT TO**  
11 **THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE**  
12 **2, PART IV OF THIS ARTICLE; OR**

13 (4) **65 YEARS OLD, FOR A MEMBER OF THE EMPLOYEES' PENSION**  
14 **SYSTEM OR TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED**  
15 **CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF**  
16 **THIS ARTICLE.**

17 (HH-1) **"REFORMED CONTRIBUTORY PENSION BENEFIT" MEANS THE**  
18 **PART OF THE EMPLOYEES' PENSION SYSTEM AND THE TEACHERS' PENSION**  
19 **SYSTEM THAT PROVIDES THE REFORMED CONTRIBUTORY PENSION BENEFIT**  
20 **UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.**

21 20-205.

22 (a) (1) [This] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
23 **SUBSECTION, THIS section applies only to:**

24 [(1)] (I) the Employees' Pension System;

25 [(2)] (II) the Local Fire and Police System;

26 [(3)] (III) the Law Enforcement Officers' Pension System; and

27 [(4)] (IV) the Teachers' Pension System.

28 (2) **THIS SECTION DOES NOT APPLY TO:**

29 (I) **A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR**  
30 **TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED**

1 CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF  
2 THIS ARTICLE; OR

3 (II) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR  
4 TEACHERS' PENSION SYSTEM WHO HAS FEWER THAN 5 YEARS OF ELIGIBILITY  
5 SERVICE IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION  
6 SYSTEM AS OF JULY 1, 2011.

7 20-205.1.

8 (A) THIS SECTION APPLIES TO:

9 (1) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR  
10 TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED  
11 CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF  
12 THIS ARTICLE; AND

13 (2) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR  
14 TEACHERS' PENSION SYSTEM WHO HAS FEWER THAN 5 YEARS OF ELIGIBILITY  
15 SERVICE IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION  
16 SYSTEM AS OF JULY 1, 2011.

17 (B) (1) IN THIS SUBSECTION, "BREAK IN SERVICE" MEANS A PERIOD  
18 OF EMPLOYMENT IN WHICH THE MEMBER'S EMPLOYER DID NOT:

19 (I) DEDUCT THE MEMBER CONTRIBUTIONS FROM THE  
20 COMPENSATION OF THE MEMBER; OR

21 (II) REPORT THE HOURS WORKED BY THE MEMBER.

22 (2) (I) FOR THE PURPOSE OF COMPUTING BENEFITS UNDER  
23 THIS DIVISION II, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS  
24 THE AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER, ADJUSTED  
25 AS PROVIDED IN THIS SECTION, DURING THE 5 CONSECUTIVE YEARS THAT  
26 PROVIDE THE HIGHEST AVERAGE EARNABLE COMPENSATION.

27 (II) IF THE MEMBER EXPERIENCED ANY BREAK IN SERVICE  
28 DURING THE 5 CONSECUTIVE YEARS THAT PROVIDE THE MEMBER'S HIGHEST  
29 AVERAGE EARNABLE COMPENSATION, THE BOARD OF TRUSTEES:

30 1. MAY NOT INCLUDE IN THE COMPUTATION OF  
31 AVERAGE FINAL COMPENSATION THE PERIOD OF MONTHS OF THE BREAKS IN  
32 SERVICE THAT OTHERWISE WOULD BE INCLUDED IN THE COMPUTATION; AND

1                   **2. IN ORDER TO GENERATE THE HIGHEST AVERAGE**  
2 **EARNABLE COMPENSATION FOR THE MEMBER, SHALL EXTEND THE 5-YEAR**  
3 **PERIOD BY AN EQUAL NUMBER OF MONTHS IMMEDIATELY PRECEDING OR**  
4 **FOLLOWING THAT PERIOD.**

5           **(C) (1) THIS SUBSECTION APPLIES TO A MEMBER WHOSE ELIGIBILITY**  
6 **SERVICE HAS BEEN ADJUSTED UNDER THIS DIVISION II TO COMPUTE**  
7 **CREDITABLE SERVICE, ON THE BASIS OF THE MEMBER HAVING COMPLETED**  
8 **LESS THAN THE NORMAL HOURS OF SERVICE FOR THE MEMBER'S POSITION.**

9           **(2) A MEMBER'S EARNABLE COMPENSATION SHALL BE ADJUSTED**  
10 **TO A FULL-TIME BASIS FOR ANY PERIOD INCLUDED IN THE COMPUTATION OF**  
11 **AVERAGE FINAL COMPENSATION.**

12           **(D) EXCEPT FOR A SALARY INCREASE BECAUSE OF A MEMBER'S**  
13 **PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES NOT**  
14 **INCLUDE A SALARY INCREASE IN THE LAST 5 YEARS OF EMPLOYMENT IF IT IS AN**  
15 **EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT THE**  
16 **BOARD OF TRUSTEES ADOPTS.**

17 21-304.

18           (a) (1) In this section the following words have the meanings indicated.

19                   (2) "Full funding rate" means the sum of:

20                           (i) the aggregate normal rate that is based on the normal  
21 contribution rate calculated under subsection (c) of this section and adjusted to  
22 incorporate legislative changes in benefits to reflect changes to the normal cost; and

23                           (ii) the aggregate unfunded accrued liability contribution rate  
24 that is based on the unfunded accrued liability contribution rate under subsection  
25 (d)(1) and (2) of this section.

26                   (3) "Funding ratio for the employees' systems" means the actuarial  
27 value of assets for the employees' systems divided by the actuarial accrued liability for  
28 the employees' systems.

29                   (4) "Funding ratio for the teachers' systems" means the actuarial  
30 value of assets for the teachers' systems divided by the actuarial accrued liability for  
31 the teachers' systems.

32                   (5) "**LOCAL EMPLOYEES**" MEANS THOSE MEMBERS OF THE  
33 **TEACHERS' RETIREMENT SYSTEM OR THE TEACHERS' PENSION SYSTEM WHO**  
34 **ARE:**

1                   **(I) EMPLOYEES OF A DAY SCHOOL IN THE STATE UNDER**  
2 **THE AUTHORITY AND SUPERVISION OF A COUNTY BOARD OF EDUCATION OR THE**  
3 **BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, EMPLOYED AS:**

- 4                   **1. A CLERK;**  
5                   **2. A HELPING TEACHER;**  
6                   **3. A PRINCIPAL;**  
7                   **4. A SUPERINTENDENT;**  
8                   **5. A SUPERVISOR; OR**  
9                   **6. A TEACHER;**

10                   **(II) LIBRARIANS OR CLERICAL EMPLOYEES OF A LIBRARY**  
11 **THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE; OR**

12                   **(III) FACULTY, PROFESSIONAL, OR CLERICAL EMPLOYEES OF**  
13 **A COMMUNITY COLLEGE THAT IS ESTABLISHED UNDER THE EDUCATION**  
14 **ARTICLE.**

15                   **(6) “LOCAL SHARE” MEANS 50% OF THE TOTAL EMPLOYER**  
16 **CONTRIBUTION FOR LOCAL EMPLOYEES.**

17                   **[(5)] (7)** “State member” does not include a member on whose behalf  
18 a participating governmental unit is required to make an employer contribution under  
19 § 21–305 or § 21–306 of this subtitle.

20                   **(8) “TOTAL EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES”**  
21 **MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER**  
22 **SUBSECTION (B) OF THIS SECTION THAT IS ATTRIBUTABLE TO THE LOCAL**  
23 **EMPLOYEES OF EACH COUNTY.**

24                   (b) (1) **[Each] SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS**  
25 **SUBSECTION, EACH** fiscal year, on behalf of the State members of each State system,  
26 the State shall pay to the appropriate accumulation fund an amount equal to or  
27 greater than the sum of the amount, if any, required to be included in the budget bill  
28 under § 3–501(c)(2)(ii) of this article and the product of multiplying:

29                   (i) the aggregate annual earnable compensation of the State  
30 members of that State system; and

1 (ii) 1. for State members of the Law Enforcement Officers'  
2 Retirement System, State Police Retirement System, and the Judges' Retirement  
3 System, the sum of the normal contribution rate and the accrued liability contribution  
4 rate, as determined under this section;

5 2. for State members of the Employees' Pension System,  
6 Employees' Retirement System, Correctional Officers' Retirement System, and  
7 Legislative Pension Plan, the employees' systems contribution rate determined under  
8 subsection (e) of this section; or

9 3. for State members of the Teachers' Pension System  
10 and Teachers' Retirement System, the teachers' systems contribution rate determined  
11 under subsection (f) of this section.

12 (2) The amount determined under paragraph (1) of this subsection for  
13 each State system shall be based on an actuarial determination of the amounts that  
14 are required to preserve the integrity of the funds of the several systems using:

15 (i) the entry-age actuarial cost method; and

16 (ii) actuarial assumptions adopted by the Board of Trustees.

17 (3) For the purpose of making the determinations required under this  
18 section:

19 (i) the Employees' Retirement System, the Employees' Pension  
20 System, the Correctional Officers' Retirement System, and the Legislative Pension  
21 Plan shall be considered together as one State system; and

22 (ii) the Teachers' Retirement System and the Teachers' Pension  
23 System shall be considered together as one State system.

24 (4) (I) **THIS PARAGRAPH DOES NOT APPLY TO BALTIMORE**  
25 **CITY COMMUNITY COLLEGE.**

26 (II) **BEGINNING JULY 1, 2011, ON BEHALF OF THE LOCAL**  
27 **EMPLOYEES OF EACH COUNTY, EACH COUNTY SHALL PAY EACH FISCAL YEAR TO**  
28 **THE APPROPRIATE ACCUMULATION FUND AN AMOUNT EQUAL TO THE LOCAL**  
29 **SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES.**

30 (III) 1. **FOR A REGIONAL COMMUNITY COLLEGE, AS**  
31 **DEFINED UNDER § 16-202 OF THE EDUCATION ARTICLE, THE OBLIGATION TO**  
32 **PAY THE LOCAL SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL**  
33 **EMPLOYEES SHALL BE SHARED BY EACH COUNTY SUPPORTING THE REGIONAL**  
34 **COMMUNITY COLLEGE.**

1                   **2. EACH COUNTY'S SHARE SHALL BE PRORATED BY**  
2 **DIVIDING THE NUMBER OF FULL-TIME EQUIVALENT STUDENTS, AS**  
3 **CALCULATED UNDER § 16-305(B)(7) OF THE EDUCATION ARTICLE FOR THE**  
4 **SECOND PRIOR FISCAL YEAR, WHO ARE ENROLLED AT THE REGIONAL**  
5 **COMMUNITY COLLEGE AND ARE RESIDENTS OF THE COUNTY BY THE TOTAL**  
6 **NUMBER OF FULL-TIME EQUIVALENT STUDENTS, AS CALCULATED UNDER §**  
7 **16-305(B)(7) OF THE EDUCATION ARTICLE FOR THE SECOND PRIOR FISCAL**  
8 **YEAR, WHO ARE RESIDENTS OF THE REGION.**

9                   **(5) (I) THE DIFFERENCE BETWEEN THE TOTAL EMPLOYER**  
10 **CONTRIBUTION FOR LOCAL EMPLOYEES AND THE LOCAL SHARE OF THE TOTAL**  
11 **EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES FOR EACH COUNTY SHALL**  
12 **BE THE OBLIGATION OF THE STATE.**

13                   **(II) IN ADDITION TO ANY PAYMENTS MADE BY THE STATE**  
14 **UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE STATE SHALL PAY 100%**  
15 **OF THE AMOUNT DETERMINED UNDER PARAGRAPH (1) OF THIS SUBSECTION**  
16 **FOR THOSE MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM OR TEACHERS'**  
17 **PENSION SYSTEM WHO ARE:**

18                   **1. FACULTY, PROFESSIONAL, OR CLERICAL**  
19 **EMPLOYEES OF BALTIMORE CITY COMMUNITY COLLEGE;**

20                   **2. FACULTY EMPLOYEES OF AN EDUCATIONAL**  
21 **INSTITUTION, OTHER THAN A COMMUNITY COLLEGE, SUPPORTED BY AND**  
22 **UNDER THE CONTROL OF THE STATE; OR**

23                   **3. STAFF EMPLOYEES OF THE UNIVERSITY SYSTEM**  
24 **OF MARYLAND, MORGAN STATE UNIVERSITY, OR ST. MARY'S COLLEGE WHO**  
25 **WERE MEMBERS OF THE TEACHERS' PENSION SYSTEM AS OF JANUARY 1, 1998,**  
26 **OR WHO TRANSFERRED FROM THE TEACHERS' RETIREMENT SYSTEM ON OR**  
27 **AFTER JANUARY 1, 1998.**

28                   **(e) (1) When the funding ratio for the employees' systems is between 90%**  
29 **and 110%, inclusive, the employees' system contribution rate is the rate for the**  
30 **previous fiscal year, adjusted to reflect legislative changes that result in changes in**  
31 **normal cost and to amortize over 25 years any actuarial liabilities of the employees'**  
32 **systems.**

33                   **(2) [When] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**  
34 **SUBSECTION, WHEN the funding ratio for the employees' systems is below 90%, the**  
35 **employees' system contribution rate shall be the sum of:**

36                   **(i) the employees' system contribution rate for the previous**  
37 **fiscal year; and**

1                   (ii) 20% of the difference between the full funding rate for the  
2 current fiscal year and the employees' system contribution rate for the previous fiscal  
3 year.

4                   (3) [When] **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**  
5 **SUBSECTION, WHEN** the funding ratio for the employees' systems is above 110%, the  
6 employees' system contribution rate shall be the difference between:

7                   (i) the employees' system contribution rate for the previous  
8 fiscal year; and

9                   (ii) 20% of the difference between the employees' system  
10 contribution rate for the previous fiscal year and the full funding rate for the current  
11 fiscal year.

12                   **(4) THE CONTRIBUTION RATE FOR THE EMPLOYEES' SYSTEMS**  
13 **SHALL BE ADJUSTED TO REFLECT THE COST OF LEGISLATIVE CHANGES.**

14                   (f) (1) When the funding ratio for the teachers' systems is between 90%  
15 and 110%, the teachers' system contribution rate is the rate for the previous fiscal  
16 year, adjusted to reflect legislative changes that result in changes in normal cost and  
17 to amortize over 25 years any actuarial liabilities of the teachers' systems.

18                   (2) [When] **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**  
19 **SUBSECTION, WHEN** the funding ratio for the teachers' systems is below 90%, the  
20 teachers' system contribution rate shall be the sum of:

21                   (i) the teachers' system contribution rate for the previous fiscal  
22 year; and

23                   (ii) 20% of the difference between the full funding rate for the  
24 current fiscal year and the teachers' system contribution rate for the previous fiscal  
25 year.

26                   (3) [When] **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**  
27 **SUBSECTION, WHEN** the funding ratio for the teachers' systems is above 110%, the  
28 teachers' system contribution rate shall be the difference between:

29                   (i) the teachers' system contribution rate for the previous fiscal  
30 year; and

31                   (ii) 20% of the difference between the teachers' system  
32 contribution rate for the previous fiscal year and the full funding rate for the current  
33 fiscal year.

1           **(4) THE CONTRIBUTION RATE FOR THE TEACHERS' SYSTEMS**  
2 **SHALL BE ADJUSTED TO REFLECT THE COST OF LEGISLATIVE CHANGES.**

3 **21-309.1.**

4           **(A) EACH YEAR, THE BOARD OF TRUSTEES SHALL CERTIFY TO EACH**  
5 **COUNTY THE STATE'S NORMAL CONTRIBUTION RATE AND THE STATE'S**  
6 **ACCRUED LIABILITY CONTRIBUTION RATE AND THE AMOUNTS PAYABLE UNDER**  
7 **§ 21-304(B)(4) OF THIS SUBTITLE.**

8           **(B) (1) EACH COUNTY SHALL PAY TO THE BOARD OF TRUSTEES THE**  
9 **AMOUNT OF THE CHARGES CERTIFIED TO THE COUNTY BY THE BOARD OF**  
10 **TRUSTEES UNDER SUBSECTION (A) OF THIS SECTION.**

11           **(2) WITHIN 30 DAYS AFTER RECEIVING THE CERTIFICATION BY**  
12 **THE BOARD OF TRUSTEES, THE COUNTY SHALL PAY THAT AMOUNT TO THE**  
13 **BOARD OF TRUSTEES.**

14           **(3) IF A COUNTY DOES NOT PAY THE AMOUNTS CERTIFIED UNDER**  
15 **THIS SECTION WITHIN THE TIME REQUIRED, THE COUNTY IS LIABLE FOR:**

16                   **(I) A PENALTY OF 10% OF THE AMOUNT DUE; AND**

17                   **(II) INTEREST ON DELINQUENT AMOUNTS AT 10% A YEAR**  
18 **UNTIL PAYMENT.**

19           **(4) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A**  
20 **GRACE PERIOD NOT TO EXCEED 10 CALENDAR DAYS FOR PAYMENT OF THE**  
21 **AMOUNTS CERTIFIED UNDER THIS SECTION.**

22           **(5) ON NOTIFICATION BY THE SECRETARY OF THE BOARD OF**  
23 **TRUSTEES THAT A DELINQUENCY EXISTS, THE STATE COMPTROLLER**  
24 **IMMEDIATELY SHALL EXERCISE THE RIGHT OF SETOFF AGAINST ANY MONEY**  
25 **DUE OR COMING DUE TO THAT COUNTY FROM THE STATE.**

26           **(C) ON RECEIPT OF THE PAYMENTS FROM EACH COUNTY, THE BOARD**  
27 **OF TRUSTEES SHALL CREDIT THESE AMOUNTS TO THE ACCUMULATION FUND**  
28 **OF THE APPROPRIATE STATE SYSTEM.**

29 **23-212.**

30           **(c) [The] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,**  
31 **THE contribution rate of a member who is subject to the Alternate Contributory**  
32 **Pension Selection under Part III of this subtitle is:**

1           (1)    3% of the member's earnable compensation received from July 1,  
2 2006 to June 30, 2007, both inclusive;

3           (2)    4% of the member's earnable compensation received from July 1,  
4 2007 to June 30, 2008, both inclusive; and

5           (3)    5% of the member's earnable compensation received on or after  
6 July 1, 2008.

7           **(D) THE CONTRIBUTION RATE OF A MEMBER WHO IS SUBJECT TO**  
8 **SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS) UNDER § 23-221**  
9 **OF THIS SUBTITLE IS:**

10           **(1) 3% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**  
11 **FROM JULY 1, 2006, TO JUNE 30, 2007, BOTH INCLUSIVE;**

12           **(2) 4% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**  
13 **FROM JULY 1, 2007, TO JUNE 30, 2008, BOTH INCLUSIVE;**

14           **(3) 5% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**  
15 **FROM JULY 1, 2008, TO JUNE 30, 2011, BOTH INCLUSIVE; AND**

16           **(4) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**  
17 **ON OR AFTER JULY 1, 2011.**

18           **(E) THE CONTRIBUTION RATE OF A MEMBER WHO IS SUBJECT TO THE**  
19 **REFORMED CONTRIBUTORY PENSION BENEFIT UNDER PART IV OF THIS**  
20 **SUBTITLE IS 7% OF THE MEMBER'S EARNABLE COMPENSATION.**

21 23-221.

22           (a)   **(1) In this section[, "active] THE FOLLOWING WORDS HAVE THE**  
23 **MEANINGS INDICATED.**

24           **(2) "ACTIVE member" means a member who is not separated from**  
25 **employment with the State or a participating employer of the State.**

26           **(3) "SELECTION ONE (FIVE PERCENT MEMBER**  
27 **CONTRIBUTIONS)" MEANS THE SELECTION AVAILABLE UNDER SUBSECTION**  
28 **(D)(1)(I) OF THIS SECTION.**

29           **(4) "SELECTION TWO (SEVEN PERCENT MEMBER**  
30 **CONTRIBUTIONS)" MEANS THE SELECTION AVAILABLE UNDER SUBSECTION**  
31 **(D)(1)(II) OF THIS SECTION.**

1           **(D) (1) AN INDIVIDUAL WHO IS AN ACTIVE MEMBER SUBJECT TO THE**  
2 **ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER THIS PART III**  
3 **SHALL SELECT ONE OF THE FOLLOWING:**

4                   **(I) SELECTION ONE (FIVE PERCENT MEMBER**  
5 **CONTRIBUTIONS) THAT PROVIDES FOR MEMBER CONTRIBUTIONS OF 5% OF**  
6 **SALARY AND A BENEFIT ACCRUAL RATE OF 1.5% OF A MEMBER'S AVERAGE**  
7 **FINAL COMPENSATION FOR CREDITABLE SERVICE ON OR AFTER JULY 1, 2011;**  
8 **OR**

9                   **(II) SELECTION TWO (SEVEN PERCENT MEMBER**  
10 **CONTRIBUTIONS) THAT PROVIDES FOR MEMBER CONTRIBUTIONS OF 7% OF**  
11 **SALARY ON OR AFTER JULY 1, 2011, AND A BENEFIT ACCRUAL RATE OF 1.8% OF**  
12 **A MEMBER'S AVERAGE FINAL COMPENSATION.**

13           **(2) (I) AN INDIVIDUAL WHO, ON JUNE 1, 2011, IS AN ACTIVE**  
14 **MEMBER SUBJECT TO THE ALTERNATE CONTRIBUTORY PENSION SELECTION**  
15 **UNDER THIS PART III SHALL MAKE A SELECTION IN THE MANNER PRESCRIBED**  
16 **BY THE STATE RETIREMENT AGENCY ON OR BEFORE JUNE 15, 2011.**

17                   **(II) AN INDIVIDUAL WHO BECOMES A MEMBER OF THE**  
18 **EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM BETWEEN**  
19 **JUNE 2, 2011, AND JUNE 30, 2011, SHALL MAKE A SELECTION IN THE MANNER**  
20 **PRESCRIBED BY THE STATE RETIREMENT AGENCY WITHIN 15 DAYS AFTER THE**  
21 **INDIVIDUAL'S FIRST DAY OF EMPLOYMENT.**

22           **(3) AN INDIVIDUAL WHO FAILS TO MAKE A SELECTION AS**  
23 **REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE DEEMED TO**  
24 **HAVE MADE SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS).**

25           **(4) THE SELECTION OF AN INDIVIDUAL UNDER PARAGRAPH (2)**  
26 **OR (3) OF THIS SUBSECTION IS IRREVOCABLE AND NOT SUBJECT TO CHANGE.**

27 23-222.

28           **(A) A member who is subject to this part shall:**

29                   (1) receive an allowance for all creditable service as follows:

30                           (i) **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS**  
31 **SECTION, for normal service retirement as provided in § 23-401(d) of this title;**

32                           (ii) for early service retirement as provided in § 23-402 of this  
33 title;

1 (iii) for ordinary disability retirement as provided in § 29–108 of  
2 this article; and

3 (iv) for accidental disability retirement as provided in § 29–110  
4 of this article;

5 (2) have the allowance adjusted as provided in Title 29, Subtitle 4 of  
6 this article; and

7 (3) **EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,**  
8 **make the member contributions at the rate specified in § 23–212(c) of this subtitle.**

9 **(B) A MEMBER WHO IS SUBJECT TO SELECTION ONE (FIVE PERCENT**  
10 **MEMBER CONTRIBUTIONS), AS DEFINED IN § 23–221(A) OF THIS SUBTITLE,**  
11 **SHALL RECEIVE AN ALLOWANCE FOR NORMAL SERVICE RETIREMENT AS**  
12 **PROVIDED IN § 23–401(F) OF THIS TITLE.**

13 **(C) A MEMBER WHO IS SUBJECT TO SELECTION TWO (SEVEN PERCENT**  
14 **MEMBER CONTRIBUTIONS), AS DEFINED IN § 23–221(A) OF THIS SUBTITLE,**  
15 **SHALL MAKE MEMBER CONTRIBUTIONS AT THE RATE SPECIFIED IN § 23–212(D)**  
16 **OF THIS SUBTITLE.**

17 **23–223. RESERVED.**

18 **23–224. RESERVED.**

19 **PART IV. REFORMED CONTRIBUTORY PENSION BENEFIT.**

20 **23–225.**

21 **THIS PART IV OF THIS SUBTITLE (REFORMED CONTRIBUTORY PENSION**  
22 **BENEFIT) APPLIES TO AN INDIVIDUAL WHO BECOMES A MEMBER OF THE**  
23 **EMPLOYEES’ PENSION SYSTEM OR THE TEACHERS’ PENSION SYSTEM ON OR**  
24 **AFTER JULY 1, 2011.**

25 **23–226.**

26 **A MEMBER WHO IS SUBJECT TO THIS PART IV OF THIS SUBTITLE SHALL:**

27 **(1) RECEIVE AN ALLOWANCE FOR ALL CREDITABLE SERVICE AS**  
28 **FOLLOWS:**

29 **(i) FOR NORMAL SERVICE RETIREMENT AS PROVIDED IN §**  
30 **23–401(G) OF THIS TITLE;**

1 (II) FOR EARLY SERVICE RETIREMENT AS PROVIDED IN §  
2 23-402(C) OF THIS TITLE;

3 (III) FOR A VESTED ALLOWANCE AS PROVIDED IN §  
4 29-303(H) OF THIS ARTICLE;

5 (IV) FOR ORDINARY DISABILITY RETIREMENT AS PROVIDED  
6 IN § 29-108 OF THIS ARTICLE; AND

7 (V) FOR ACCIDENTAL DISABILITY RETIREMENT AS  
8 PROVIDED IN § 29-110 OF THIS ARTICLE;

9 (2) HAVE THE ALLOWANCE ADJUSTED AS PROVIDED IN TITLE 29,  
10 SUBTITLE 4, PART VII OF THIS ARTICLE; AND

11 (3) MAKE THE MEMBER CONTRIBUTIONS AT THE RATE SPECIFIED  
12 IN § 23-212(E) OF THIS SUBTITLE.

13 23-401.

14 (a) [A] EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION, A  
15 member may retire with a normal service retirement allowance if:

16 (1) the member completes and submits a written application to the  
17 Board of Trustees stating the date when the member desires to retire; and

18 (2) on or before the date of retirement, the member:

19 (i) has at least 30 years of eligibility service;

20 (ii) has a combined total of at least 30 years of eligibility service  
21 from the Employees' Pension System, the Teachers' Pension System, the Employees'  
22 Retirement System, or the Teachers' Retirement System; or

23 (iii) has attained the age and the years of eligibility service as  
24 follows:

Age		Years of Eligibility Service
25 62	with	5
26 63	with	4
27 64	with	3
28 65	or more with	2

1 (b) Except as provided in subsections (c), (d), [and] (e), **(F), AND (G)** of this  
2 section, on retirement under this section, a member is entitled to receive a normal  
3 service retirement allowance that equals the number of years of the member's  
4 creditable service multiplied by:

5 (1) 0.8% of the member's average final compensation that is not in  
6 excess of the Social Security integration level; and

7 (2) 1.5% of the member's average final compensation that exceeds the  
8 Social Security integration level.

9 (d) Except as provided in [subsection] **SUBSECTIONS (e) AND (F)** of this  
10 section, a member who is subject to the Alternate Contributory Pension Selection  
11 under Subtitle 2, Part III of this title is entitled to receive a normal service retirement  
12 allowance that equals the sum of:

13 (1) the greater of:

14 (i) the number of years of the member's creditable service on or  
15 before June 30, 1998 multiplied by 1.2% of the member's average final compensation;  
16 or

17 (ii) the number of years of the member's creditable service on or  
18 before June 30, 1998 multiplied by:

19 1. 0.8% of the member's average final compensation that  
20 is not in excess of the Social Security integration level; and

21 2. 1.5% of the member's average final compensation that  
22 exceeds the Social Security integration level; and

23 (2) the number of years of the member's creditable service on or after  
24 July 1, 1998 multiplied by 1.8% of the member's average final compensation.

25 **(F) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A**  
26 **MEMBER WHO IS SUBJECT TO SELECTION ONE (FIVE PERCENT MEMBER**  
27 **CONTRIBUTIONS) UNDER § 23-221 OF THIS SUBTITLE IS ENTITLED TO RECEIVE**  
28 **A NORMAL SERVICE RETIREMENT ALLOWANCE THAT EQUALS THE SUM OF:**

29 **(1) THE GREATER OF:**

30 **(i) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE**  
31 **SERVICE ON OR BEFORE JUNE 30, 1998, MULTIPLIED BY 1.2% OF THE**  
32 **MEMBER'S AVERAGE FINAL COMPENSATION; OR**

1                   **(II) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE**  
2 **SERVICE ON OR BEFORE JUNE 30, 1998, MULTIPLIED BY:**

3                   **1. 0.8% OF THE MEMBER'S AVERAGE FINAL**  
4 **COMPENSATION THAT IS NOT IN EXCESS OF THE SOCIAL SECURITY**  
5 **INTEGRATION LEVEL; AND**

6                   **2. 1.5% OF THE MEMBER'S AVERAGE FINAL**  
7 **COMPENSATION THAT EXCEEDS THE SOCIAL SECURITY INTEGRATION LEVEL;**

8                   **(2) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE**  
9 **SERVICE FROM JULY 1, 1998, TO JUNE 30, 2011, MULTIPLIED BY 1.8% OF THE**  
10 **MEMBER'S AVERAGE FINAL COMPENSATION; AND**

11                   **(3) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE**  
12 **SERVICE ON OR AFTER JULY 1, 2011, MULTIPLIED BY 1.5% OF THE MEMBER'S**  
13 **AVERAGE FINAL COMPENSATION.**

14                   **(G) (1) A MEMBER WHO IS SUBJECT TO THE REFORMED**  
15 **CONTRIBUTORY PENSION BENEFIT UNDER SUBTITLE 2, PART IV OF THIS TITLE**  
16 **MAY RETIRE WITH A NORMAL SERVICE RETIREMENT ALLOWANCE IF:**

17                   **(I) THE MEMBER COMPLETES AND SUBMITS A WRITTEN**  
18 **APPLICATION TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE**  
19 **MEMBER DESIRES TO RETIRE; AND**

20                   **(II) ON OR BEFORE THE DATE OF RETIREMENT, THE**  
21 **MEMBER:**

22                   **1. HAS AT LEAST 30 YEARS OF ELIGIBILITY SERVICE;**  
23 **OR**

24                   **2. IS AT LEAST 65 YEARS OLD AND HAS 10 YEARS OF**  
25 **ELIGIBILITY SERVICE.**

26                   **(2) ON RETIREMENT UNDER THIS SUBSECTION, A MEMBER WHO**  
27 **IS SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER**  
28 **SUBTITLE 2, PART IV OF THIS TITLE IS ENTITLED TO RECEIVE A NORMAL**  
29 **SERVICE RETIREMENT THAT EQUALS THE NUMBER OF YEARS OF THE MEMBER'S**  
30 **CREDITABLE SERVICE MULTIPLIED BY 1.5% OF THE MEMBER'S AVERAGE FINAL**  
31 **COMPENSATION.**

1 (a) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A  
2 member may retire with an early service retirement allowance if:

3 (1) the member completes and submits a written application to the  
4 Board of Trustees stating the date when the member desires to retire; and

5 (2) on or before the date of retirement, the member:

6 (i) has at least 15 years but less than 30 years of eligibility  
7 service; and

8 (ii) is at least 55 but less than 62 years old.

9 (b) A MEMBER WHO IS SUBJECT TO THE REFORMED CONTRIBUTORY  
10 PENSION BENEFIT UNDER SUBTITLE 2, PART IV OF THIS TITLE MAY RETIRE  
11 WITH AN EARLY SERVICE RETIREMENT ALLOWANCE IF:

12 (1) THE MEMBER COMPLETES AND SUBMITS A WRITTEN  
13 APPLICATION TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE  
14 MEMBER DESIRES TO RETIRE; AND

15 (2) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:

16 (I) HAS AT LEAST 15 YEARS OF ELIGIBILITY SERVICE; AND

17 (II) IS AT LEAST 60 YEARS OLD.

18 (c) (1) [On] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
19 SUBSECTION, retirement under this section, a member is entitled to receive an early  
20 service retirement allowance that equals the normal service retirement allowance  
21 under § 23–401 of this subtitle, reduced by 0.5% for each month that the member's  
22 early retirement date precedes the date the member will be 62 years old.

23 (2) ON RETIREMENT UNDER THIS SECTION, A MEMBER WHO IS  
24 SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER  
25 SUBTITLE 2, PART IV OF THIS TITLE IS ENTITLED TO RECEIVE AN EARLY  
26 SERVICE RETIREMENT ALLOWANCE THAT EQUALS THE NORMAL SERVICE  
27 RETIREMENT ALLOWANCE UNDER § 23–401(G) OF THIS SUBTITLE, REDUCED BY  
28 0.5% FOR EACH MONTH THAT THE MEMBER'S EARLY RETIREMENT DATE  
29 PRECEDES THE DATE THE MEMBER WILL BE 65 YEARS OLD.

30 24–401.1.

31 (c) (1) Except for the Secretary of State Police, a member of the State  
32 Police Retirement System is eligible to participate in the DROP if the member:

- 1 (i) has at least 22 and less than 28 years of eligibility service;  
2 [and]
- 3 (ii) is less than 60 years old; AND
- 4 (III) HAS AT LEAST 5 YEARS OF ELIGIBILITY SERVICE AS OF  
5 JULY 1, 2011.

6 (2) The Secretary of State Police is eligible to participate in the DROP  
7 if the Secretary has at least 22 years of eligibility service AND HAS AT LEAST 5  
8 YEARS OF ELIGIBILITY SERVICE AS OF JULY 1, 2011.

9 26-401.1.

10 (c) (1) In this subsection, "creditable service" does not include credit for  
11 unused sick leave as provided in § 20-206 of this article.

12 (2) A member of the Law Enforcement Officers' Pension System is  
13 eligible to participate in the DROP if the member has at least 25 and less than 30  
14 years of creditable service AND HAS AT LEAST 5 YEARS OF CREDITABLE SERVICE  
15 ON OR BEFORE JULY 1, 2011.

16 27-202.

17 (a) Except as provided in [subsection] SUBSECTIONS (b) AND (c) of this  
18 section, a member's contribution rate is 6% of the member's earnable compensation.

19 (b) THE CONTRIBUTION RATE FOR AN INDIVIDUAL WHO BECOMES A  
20 MEMBER ON OR AFTER JULY 1, 2011, IS 8% OF THE MEMBER'S EARNABLE  
21 COMPENSATION.

22 (c) After 16 years of service as a member, a member does not make any  
23 further contributions.

24 29-303.

25 (b) [A] EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, A  
26 member is eligible to receive a vested allowance if:

27 (1) the member separated from employment other than by death or  
28 retirement; and

29 (2) the member has at least 5 years of eligibility service.

30 (c) Except as provided in subsections (e), (f), [and] (g), AND (H) of this  
31 section, a vested allowance:

1           (1)    is a deferred allowance that begins at normal retirement age;

2           (2)    is computed as a normal service retirement allowance on the basis  
3 of the member's average final compensation and eligibility service at separation from  
4 employment; and

5           (3)    may be paid in one of the optional forms of allowances under §  
6 21-403 of this article.

7           (e)    Except as provided in [subsection] **SUBSECTIONS (f) AND (H)** of this  
8 section, a former member of the Employees' Pension System or the Teachers' Pension  
9 System who has separated from employment before the age of 55 with at least 15  
10 years of eligibility service is eligible to receive a vested allowance that:

11           (1)    begins on the first day of the month following the member's 55th  
12 birthday; and

13           (2)    equals the reduced allowance computed under § 23-402 of this  
14 article.

15           **(H) (1) A MEMBER WHO IS SUBJECT TO THE REFORMED**  
16 **CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF**  
17 **THIS ARTICLE IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE IF:**

18                   **(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER**  
19 **THAN BY DEATH OR RETIREMENT; AND**

20                   **(II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY**  
21 **SERVICE.**

22           **(2) A VESTED ALLOWANCE UNDER THIS SUBSECTION:**

23                   **(I) IS A DEFERRED ALLOWANCE THAT MAY BEGIN NO**  
24 **EARLIER THAN NORMAL RETIREMENT AGE;**

25                   **(II) IS COMPUTED AS A NORMAL SERVICE RETIREMENT**  
26 **ALLOWANCE ON THE BASIS OF THE MEMBER'S AVERAGE FINAL COMPENSATION**  
27 **AND ELIGIBILITY SERVICE AT SEPARATION FROM EMPLOYMENT; AND**

28                   **(III) MAY BE PAID IN ONE OF THE OPTIONAL FORMS OF**  
29 **ALLOWANCES UNDER § 21-403 OF THIS ARTICLE.**

1           **(3) TO COMMENCE RECEIVING A VESTED ALLOWANCE UNDER**  
2 **THIS SUBSECTION, AN INDIVIDUAL SHALL COMPLETE AND SUBMIT A WRITTEN**  
3 **APPLICATION TO THE BOARD OF TRUSTEES.**

4           **(4) AN INDIVIDUAL MAY NOT RECEIVE A VESTED ALLOWANCE**  
5 **FOR THE PERIOD BEFORE THE INDIVIDUAL SUBMITTED A COMPLETED**  
6 **APPLICATION TO THE BOARD OF TRUSTEES.**

7 **29-428. RESERVED.**

8 **29-429. RESERVED.**

9           **PART VII. THREE/ONE PERCENT COMPOUND ADJUSTMENT.**

10 **29-430.**

11           **THIS PART VII OF THIS SUBTITLE (THREE/ONE PERCENT COMPOUND**  
12 **ADJUSTMENT) APPLIES TO AN ALLOWANCE RECEIVED BY A FORMER MEMBER,**  
13 **RETIREE, OR SURVIVING BENEFICIARY OF A DECEASED MEMBER, FORMER**  
14 **MEMBER, OR RETIREE OF THE EMPLOYEES' PENSION SYSTEM OR THE**  
15 **TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED**  
16 **CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF**  
17 **THIS ARTICLE.**

18 **29-431.**

19           **EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST EACH**  
20 **ALLOWANCE AS PROVIDED IN THIS PART VII OF THIS SUBTITLE.**

21 **29-432.**

22           **(A) EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST AN**  
23 **ALLOWANCE BY MULTIPLYING THE ALLOWANCE FOR THE PRECEDING FISCAL**  
24 **YEAR, EXCLUSIVE OF ANY ADDITIONAL VOLUNTARY ANNUITY, BY A RATE THAT:**

25           **(1) IS OBTAINED BY DIVIDING THE CONSUMER PRICE INDEX FOR**  
26 **THE CALENDAR YEAR ENDING DECEMBER 31 IN THE PRECEDING FISCAL YEAR**  
27 **BY THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER**  
28 **31 IN THE SECOND PRECEDING FISCAL YEAR; AND**

29           **(2) DOES NOT EXCEED:**

30           **(I) 3%, IF FOR THE CALENDAR YEAR ENDING DECEMBER 31**  
31 **IN THE PRECEDING FISCAL YEAR, THE TOTAL INVESTMENT PERFORMANCE OF**

1 THE SEVERAL SYSTEMS EQUALS OR EXCEEDS THE ASSUMED RATE OF  
2 INVESTMENT RETURN ESTABLISHED BY THE BOARD OF TRUSTEES IN  
3 ACCORDANCE WITH § 21-125(C) OF THIS ARTICLE; OR

4 (II) 1%, IF FOR THE CALENDAR YEAR ENDING DECEMBER 31  
5 IN THE PRECEDING FISCAL YEAR, THE TOTAL INVESTMENT PERFORMANCE OF  
6 THE SEVERAL SYSTEMS DOES NOT EQUAL OR EXCEED THE ASSUMED RATE OF  
7 INVESTMENT RETURN ESTABLISHED BY THE BOARD OF TRUSTEES IN  
8 ACCORDANCE WITH § 21-125(C) OF THIS ARTICLE.

9 (B) THE ADJUSTMENT UNDER SUBSECTION (A) OF THIS SECTION SHALL  
10 BEGIN THE SECOND JULY 1 AFTER THE DAY PRECEDING THE RETIREE'S DATE  
11 OF RETIREMENT OR THE FORMER MEMBER'S EFFECTIVE DATE FOR RECEIPT OF  
12 A VESTED ALLOWANCE.

13 (C) THE TOTAL ALLOWANCE PAYABLE IN EACH FISCAL YEAR SHALL BE  
14 THE SUM OF:

15 (1) THE ANNUAL RATE OF ALLOWANCE PAID DURING THE  
16 PRECEDING FISCAL YEAR;

17 (2) THE ADJUSTMENT IN ALLOWANCE PROVIDED FOR UNDER  
18 THIS SECTION; AND

19 (3) ANY ADDITIONAL ANNUITY.

20 31-116.2.

21 (A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO BECOMES AN  
22 EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT ON OR AFTER JULY 1,  
23 2011.

24 (B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS  
25 SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE  
26 23, SUBTITLE 2, PART IV OF THIS ARTICLE.

27 34-101.

28 (d) [For fiscal year 2013 and each fiscal year thereafter, the following funds  
29 shall be deposited into the Postretirement Health Benefits Trust Fund:

30 (1) any subsidy received by the State that is provided to employers as  
31 a result of the federal Medicare Prescription Drug, Improvement, and Modernization  
32 Act of 2003, or similar federal subsidy received as a result of the State's prescription  
33 drug program; and



1                                   **(II) THE BALANCE TO THE GENERAL FUND OF THE STATE.**

2   2–1104.

3           (a) Except as **OTHERWISE** provided in [subsections (b), (c), and (d) of] this  
4 section, after making the distributions required under §§ 2–1101 through 2–1103 of  
5 this subtitle, from the remaining motor fuel tax revenue, the Comptroller shall  
6 distribute:

7                   (1) 2.3% to the Chesapeake Bay 2010 Trust Fund; and

8                   (2) any remaining balance to the Gasoline and Motor Vehicle Revenue  
9 Account of the Transportation Trust Fund.

10           (b) For [the] **EACH** fiscal year beginning **ON OR BEFORE** July 1, [2008]  
11 **2015**, instead of the distribution required under subsection (a)(1) of this section, the  
12 Comptroller shall distribute 2.3% of the remaining motor fuel tax revenue as follows:

13                   (1) [**\$6,500,000**] to the General Fund of the State:

14                                   **(I) \$5,000,000 FOR EACH FISCAL YEAR BEGINNING ON OR**  
15 **BEFORE JULY 1, 2014; AND**

16                                   **(II) \$4,624,687 FOR THE FISCAL YEAR BEGINNING JULY 1,**  
17 **2015; and**

18                   (2) the balance to the Chesapeake Bay 2010 Trust Fund.

19           [(c) For the fiscal year beginning July 1, 2009, instead of the distribution  
20 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%  
21 of the remaining motor fuel tax revenue as follows:

22                   (1) \$8,385,845 to the General Fund of the State; and

23                   (2) the balance to the Chesapeake Bay 2010 Trust Fund.

24           (d) For the fiscal year beginning July 1, 2010, instead of the distribution  
25 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%  
26 of the remaining motor fuel tax revenue as follows:

27                   (1) \$5,000,000 to the General Fund of the State; and

28                   (2) the balance to the Chesapeake Bay 2010 Trust Fund.]

29   2–1302.1.

1 (a) Except as **OTHERWISE** provided in [subsections (b), (c), and (d) of] this  
2 section, after making the distributions required under §§ 2–1301 and 2–1302 of this  
3 subtitle, of the sales and use tax collected on short–term vehicle rentals under §  
4 11–104(c) of this article the Comptroller shall distribute:

5 (1) 45% to the Transportation Trust Fund established under § 3–216  
6 of the Transportation Article; and

7 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

8 (b) For [the] **EACH** fiscal year beginning **ON OR BEFORE** July 1, [2008]  
9 **2014**, after the distribution required under subsection (a)(1) of this section, the  
10 Comptroller shall distribute the remainder of the sales and use tax collected on  
11 short–term vehicle rentals under § 11–104(c) of this article as follows:

12 (1) [\$18,500,000] to the General Fund of the State:

13 (I) **\$13,669,444 FOR THE FISCAL YEAR BEGINNING JULY 1,**  
14 **2011;**

15 (II) **\$10,076,582 FOR THE FISCAL YEAR BEGINNING JULY 1,**  
16 **2012;**

17 (III) **\$6,535,845 FOR THE FISCAL YEAR BEGINNING JULY 1,**  
18 **2013; AND**

19 (IV) **\$3,049,199 FOR THE FISCAL YEAR BEGINNING JULY 1,**  
20 **2014; and**

21 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

22 [(c) For the fiscal year beginning July 1, 2009, after the distribution required  
23 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder  
24 of the sales and use tax collected on short–term vehicle rentals under § 11–104(c) of  
25 this article as follows:

26 (1) \$21,100,711 to the General Fund of the State; and

27 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

28 (d) For the fiscal year beginning July 1, 2010, after the distribution required  
29 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder  
30 of the sales and use tax collected on short–term vehicle rentals under § 11–104(c) of  
31 this article as follows:

32 (1) \$17,101,428 to the General Fund of the State; and

1 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.]

2 2–1302.2.

3 After making the distributions required under §§ 2–1301 through 2–1302.1 of  
4 this subtitle, the Comptroller shall pay into the Transportation Trust Fund  
5 established under § 3–216 of the Transportation Article:

6 (1) for each fiscal year beginning before July 1, 2013, [5.3%] **2.2%** of  
7 the remaining sales and use tax revenue; and

8 (2) for each fiscal year beginning on or after July 1, 2013, [6.5%] **3.4%**  
9 of the remaining sales and use tax revenue.

10 11–105.

11 (c) [From January 3, 2008 through June 30, 2011:]

12 (1) [the] **THE** credit allowed under subsection (a) of this section may  
13 not exceed \$500 for each return[; and].

14 (2) [for] **FOR** a vendor who files or is eligible to file a consolidated  
15 return under § 11–502 of this title, the total maximum credit that the vendor is  
16 allowed under this section for all returns filed for any period is \$500.

17 **Article – Transportation**

18 1–103.

19 [(c) Subsection (b) of this section does not apply to licenses issued under:

20 (1) Title 13 of this article (motor vehicle registrations); or

21 (2) Title 16 of this article (drivers' licenses).]

22 4–321.

23 (e) The Governor shall transfer to the Authority for the Intercounty  
24 Connector:

25 (1) From the Transportation Trust Fund, at least \$30,000,000 each  
26 year for fiscal years 2007 through 2010;

27 (2) From the General Fund or general obligation bonds, an aggregate  
28 appropriation by fiscal year [2012] **2013** equal to \$264,913,000, as follows:

- 1 (i) \$53,000,000 for fiscal year 2007;  
2 (ii) \$55,000,000 for fiscal year 2010;  
3 (iii) At least \$80,000,000 for fiscal year 2011; and  
4 (iv) The remaining balance for fiscal year 2012 **OR FISCAL**  
5 **YEAR 2013**; and

6 (3) At least \$10,000,000 federal aid from any source in amounts as  
7 deemed prudent.

8 7–208.

9 (b) (1) For fiscal year **[2009] 2012** and each fiscal year thereafter, the  
10 Administration shall separately recover from fares and other operating revenues at  
11 least **[35] 50** percent of the total operating costs for:

12 (i) The Administration’s bus, light rail, and Metro subway  
13 services in the Baltimore region; and

14 (ii) All passenger railroad services under the Administration’s  
15 control.

16 (2) The Administration shall submit, in accordance with § 2–1246 of  
17 the State Government Article, an annual report to the Senate Budget and Taxation  
18 Committee, House Ways and Means Committee, and House Appropriations  
19 Committee by December 1 of each year that includes:

20 (i) Separate farebox recovery ratios for the prior fiscal year for:

21 1. Bus, light rail, and Metro subway services provided by  
22 the Administration in the Baltimore region;

23 2. Commuter bus service provided under contract to the  
24 Administration in the Baltimore region; and

25 3. Maryland Area Rail Commuter (MARC) service  
26 provided under contract to the Administration;

27 (ii) A discussion of the success or failure to achieve the farebox  
28 recovery requirement established in paragraph (1) of this subsection; and

29 (iii) Comparisons of farebox recovery ratios for the  
30 Administration’s mass transit services and other similar transit systems nationwide.

31 8–402.

1 (c) (2) For fiscal years 2010 through 2012, the Account shall be  
2 distributed as follows:

3 (i) A portion to the General Fund of the State as follows:

4 1. 19.5% for fiscal year 2010;

5 2. 23% for fiscal year 2011; and

6 3. ~~[20.4%]~~ **24.01931%** for fiscal year 2012;

7 (ii) A portion to be used as provided in § 3–216 of this article, as  
8 follows:

9 1. 70% for fiscal year 2010;

10 2. 68.5% for fiscal year 2011; and

11 3. ~~[71.5%]~~ **65.5%** for fiscal year 2012; ~~[and]~~

12 **(III) FOR FISCAL YEAR 2012 ONLY, 2.38069% TO THE**  
13 **REVENUE STABILIZATION ACCOUNT ESTABLISHED UNDER § 7–311 OF THE**  
14 **STATE FINANCE AND PROCUREMENT ARTICLE; AND**

15 ~~[(iii)]~~ **(IV)** The balance to be used to pay the allocations of  
16 highway user revenues provided under this subtitle to the counties, municipalities,  
17 and Baltimore City.

18 10–205.

19 (b) (1) Subject to the appropriation requirements and budgetary  
20 provisions of § 3–216(d) of this article and upon receipt of an approval of a grant  
21 application in such form and detail as the Secretary shall reasonably require, the  
22 Department shall provide for annual grants to the Washington Suburban Transit  
23 District for a share of the operating deficits of the regional transit system for which  
24 the District is responsible. “Operating deficit” means operating costs less:

25 (i) The greater of operating revenues or 50 percent of the  
26 operating costs; and

27 (ii) All federal operating assistance.

28 (2) The Department’s share shall equal ~~[100]~~ **75** percent of the  
29 operating deficit.

30 13–406.

1           The Administration shall refuse to register, **RENEW**, or transfer the registration  
2 of any vehicle if:

3                   (9)    The Administration has reasonable grounds to believe:

4                           (i)    That the vehicle is stolen;

5                           (ii)   That the grant or transfer of registration would be a fraud  
6 against another person; or

7                           (iii)   That the vehicle does not comply with Title 2, Subtitle 11 of  
8 the Environment Article or any regulations adopted under that subtitle; [or]

9                   (10)   The gross vehicle weight is 55,000 pounds or over and the  
10 applicant has failed to furnish proof of payment of the Federal Heavy Vehicle Use  
11 Tax[.]; **OR**

12                   **(11) THE APPLICANT HAS NOT PAID ALL UNDISPUTED TAXES AND**  
13 **UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER**  
14 **OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR HAS**  
15 **PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT**  
16 **RESPONSIBLE FOR COLLECTION.**

17 16-103.1.

18           The Administration may not issue a driver's license to an individual:

19                   (11)   Who does not provide:

20                           (i)    Satisfactory documentary evidence that the applicant has a  
21 valid Social Security number by presenting the applicant's Social Security  
22 Administration account card or, if the Social Security Administration account card is  
23 not available, any of the following documents bearing the applicant's Social Security  
24 number:

25                                   1.    A current W-2 form;

26                                   2.    A current SSA-1099 form;

27                                   3.    A current non-SSA-1099 form; or

28                                   4.    A current pay stub with the applicant's name and  
29 Social Security number on it; or

30                           (ii)   Satisfactory documentary evidence that the applicant is not  
31 eligible for a Social Security number; [or]



1 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any  
2 other provision of law, on or before June 30, 2012, the Governor may transfer to the  
3 General Fund:

4 \$2,000,000 of the funds in the State Insurance Trust Fund established under §  
5 9–103 of the State Finance and Procurement Article;

6 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund  
7 established under § 13–1406 of the Health – General Article;

8 \$237,888 of the funds in the State Board of Pharmacy Fund established under §  
9 12–206 of the Health Occupations Article;

10 \$125,000 of the funds in the Maryland Not–For–Profit Development Center  
11 Program Fund established under § 5–1204 of the Economic Development  
12 Article;

13 \$44,888 of the funds in the State Board of Examiners of Psychologists Fund  
14 established under § 18–207 of the Health Occupations Article.

15 SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any  
16 other provision of law, on or before June 30, 2012, the Governor may transfer to the  
17 General Fund:

18 \$90,000,000 of the funds in the Bay Restoration Fund established under §  
19 9–1605.2 of the Environment Article that is not needed to pay debt service on  
20 Revenue Bonds issued by the Water Quality Financing Administration for the  
21 Enhanced Nutrient Removal Program;

22 \$2,200,000 of the funds in the Special Loan Programs Fund established under §  
23 4–505 of the Housing and Community Development Article;

24 \$2,050,000 of the funds in the Neighborhood Business Development Fund  
25 established under § 6–310 of the Housing and Community Development Article;

26 \$1,500,000 of the funds in the Homeownership Programs Fund established  
27 under § 4–502 of the Housing and Community Development Article;

28 \$1,090,000 of the funds in the Waterway Improvement Fund established under  
29 § 8–707 of the Natural Resources Article.

30 SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any  
31 other provision of law, beginning in fiscal year 2011, any subsidy received by the State  
32 that is provided to employers as a result of the federal Medicare Prescription Drug,  
33 Improvement, and Modernization Act of 2003, or similar federal subsidy received as a  
34 result of the State’s prescription drug program shall be credited to the General Fund

1 of the State. The provisions of this section shall be construed retroactively and shall be  
2 applied to any revenue received by the State on or after July 1, 2010.

3 SECTION 12. AND BE IT FURTHER ENACTED, That, notwithstanding any  
4 other provision of law, on or before June 30, 2011, the Governor may transfer to the  
5 General Fund \$5,591,172 of the funds in the special fund established under § 13–209  
6 of the Tax – Property Article. A transfer of funds from the special fund to the General  
7 Fund under this section may not be taken into account for purposes of determining  
8 any allocation or appropriation required under § 13–209(f) or (g) of the Tax – Property  
9 Article.

10 SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any  
11 other provision of law, on or before June 30, 2012, the Governor may transfer to the  
12 General Fund \$94,491,115 of the funds in the special fund established under § 13–209  
13 of the Tax – Property Article. A transfer of funds from the special fund to the General  
14 Fund under this section may not be taken into account for purposes of determining  
15 any allocation or appropriation required under § 13–209(f) or (g) of the Tax – Property  
16 Article.

17 SECTION 14. AND BE IT FURTHER ENACTED, That, notwithstanding any  
18 other provision of law, the Governor may transfer from the Senior Prescription Drug  
19 Assistance Program account of the Maryland Health Insurance Plan Fund established  
20 under § 14–504(e) of the Insurance Article to the Kidney Disease Program established  
21 under Title 13, Subtitle 3 of the Health – General Article up to \$3,000,000 in fiscal  
22 year 2012, and up to \$3,000,000 in fiscal year 2013.

23 SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any  
24 other provision of law, the Governor may transfer from the Senior Prescription Drug  
25 Assistance Program account of the Maryland Health Insurance Plan Fund established  
26 under § 14–504(e) of the Insurance Article to the Medical Assistance Program  
27 established under Title 15, Subtitle 1 of the Health – General Article up to \$2,500,000  
28 in fiscal year 2011.

29 SECTION 16. AND BE IT FURTHER ENACTED, That, notwithstanding the  
30 provisions of § 9–1A–29 of the State Government Article or any other provision of law,  
31 for fiscal year 2011, the first \$3.6 million in funds deposited to the Racetrack Facility  
32 Renewal Account shall be transferred to the Maryland Economic Development  
33 Corporation. If less than \$3.6 million is transferred in fiscal year 2011, the difference  
34 between the actual transfer in fiscal year 2011 and \$3.6 million shall be transferred in  
35 fiscal year 2012. Additional funding of up to \$400,000 shall be transferred in fiscal  
36 year 2012 to cover interest expense, fees, and administrative costs. The provisions of  
37 this section shall be construed retroactively and shall be applied to any revenue  
38 received by the State on or after July 1, 2010.

39 SECTION 17. AND BE IT FURTHER ENACTED, That, notwithstanding any  
40 other provision of law, \$124,420,746 of the State funds that exceed the State share of  
41 the foundation program under § 5–202 of the Education Article, because of the use of  
42 federal funds available to the State through Public Law 111–226, shall be distributed

1 to each county board on June 1, 2011 to prefund in fiscal year 2011 \$124,420,746 of  
2 the fiscal year 2012 State share of the foundation program required under § 5–202 of  
3 the Education Article. The \$124,420,746 of State funds paid in June 2011 shall be  
4 prorated according to the funding formulas applicable to fiscal year 2012 and counted  
5 towards satisfaction of the State’s fiscal year 2012 obligation to provide financial  
6 assistance under the foundation program.

7 SECTION 18. AND BE IT FURTHER ENACTED, That, notwithstanding any  
8 other provision of law, for each of fiscal years 2013 through 2016:

9 (a) Except as provided in subsection (b) of this section, the Governor is not  
10 required to include an appropriation in the budget for any program or item in an  
11 amount that exceeds the fiscal year 2012 appropriation for that item or program as  
12 approved in the State budget for fiscal year 2012 as enacted by the General Assembly.

13 (b) Subsection (a) of this section does not apply to:

14 (1) funding required for State aid to public elementary and secondary  
15 education as provided under Title 5, Subtitle 2 or § 4–121, § 4–122, § 6–306, § 8–310.3,  
16 § 8–317, or § 8–415 of the Education Article;

17 (2) the State’s employer contribution to the State Retirement and  
18 Pension System required under § 21–308 of the State Personnel and Pensions Article;

19 (3) any appropriation to the Maryland Agricultural and  
20 Resource–Based Industry Development Corporation established under Title 10,  
21 Subtitle 2 of the Economic Development Article; or

22 (4) any appropriation required to the Revenue Stabilization Account of  
23 the State Reserve Fund under § 7–311 of the State Finance and Procurement Article.

24 SECTION 19. AND BE IT FURTHER ENACTED, That, notwithstanding any  
25 other provision of law, no amounts may be expended in fiscal year 2012 to pay  
26 increases over the rates in effect on January 21, 2011, for providers with rates set by  
27 the Interagency Rates Committee under § 8–406 of the Education Article or providers  
28 of nonpublic placements under § 8–417 of the Education Article.

29 SECTION 20. AND BE IT FURTHER ENACTED, That, notwithstanding any  
30 other provision of law, State employees employed by any entity, including the  
31 University System of Maryland, Morgan State University, and St. Mary’s College of  
32 Maryland, may not receive merit increases prior to April 1, 2014. This provision does  
33 not affect salaries for constitutional officers or members of the General Assembly or  
34 increases necessary for the retention of faculty in the University System of Maryland,  
35 Morgan State University, or St. Mary’s College of Maryland.

36 SECTION 21. AND BE IT FURTHER ENACTED, That, notwithstanding § 36 of  
37 Chapter 484 of the Acts of the General Assembly of 2010 or any other provision of law,  
38 for fiscal years 2011 and 2012 only, State employees employed by the Department of

1 Health and Mental Hygiene at a facility that is scheduled to be closed may, subject to  
2 the approval of the Secretary of Budget and Management, receive retention bonuses.

3 SECTION 22. AND BE IT FURTHER ENACTED, That the Governor's Salary  
4 Commission and the General Assembly Salary Commission shall, taking into account  
5 the sustainability of the pension systems, include specific recommendations in their  
6 respective reports concerning appropriate benefit and member contribution levels.

7 SECTION 23. AND BE IT FURTHER ENACTED, That the Board of Trustees  
8 for the State Retirement and Pension System shall provide an annual report to the  
9 Governor and the Joint Committee on Pensions, on or before December 15 of each  
10 year, on the funding progress of the several systems. The Secretary of the Department  
11 of Budget and Management shall report biennially, beginning on January 1, 2013, to  
12 the Governor and the General Assembly, in accordance with § 2-1246 of the State  
13 Government Article, on the financial health of the several systems. The Secretary's  
14 report shall reflect the State system's progress towards achieving the statutory  
15 funding goals, and shall include recommendations concerning modifications to the  
16 funding methods or benefits structure.

17 SECTION 24. AND BE IT FURTHER ENACTED, That it is the intent of the  
18 General Assembly that spending be further restrained in the annual State budget for  
19 fiscal year 2012 and future fiscal years by implementation of the following actions:

20 (1) Reducing General Fund appropriations for the University System  
21 of Maryland institutions of higher education and Morgan State University by at least  
22 10% by eliminating positions, reducing the budget for travel and use of State vehicles,  
23 reducing free tuition for employees, and implementing operational efficiencies;

24 (2) Deleting General Fund grants for the Governor's Office of Crime  
25 Control and Prevention, not including funding for the State Aid for Police Protection  
26 formula;

27 (3) Reducing by 50% State funding for the Judith P. Hoyer Early Child  
28 Care and Education Enhancement Program;

29 (4) Reduction in general operating expenses by at least \$66,000,000  
30 through recognition of additional administrative efficiencies;

31 (5) Elimination of an additional 510 positions in the Executive Branch;  
32 and

33 (6) Deleting funding for the Prevailing Wage Unit of the Department  
34 of Labor, Licensing, and Regulation and limiting funding for the Employment  
35 Standards Unit to the minimum statutorily required appropriation.

36 SECTION 25. AND BE IT FURTHER ENACTED, That, notwithstanding the  
37 provisions of § 8-402(c) of the Transportation Article as enacted by this Act, the  
38 modified percentage of distribution of highway user revenues to the Department of

1 Transportation for fiscal year 2012 does not apply unless the General Assembly  
2 appropriates in the Budget Bill (S.B. 85/H.B. 70) for fiscal year 2012 funds that are  
3 sufficient to pay in fiscal year 2012 the principal of and interest due and payable in  
4 that fiscal year on the Department's Consolidated Transportation Bonds that were  
5 issued before July 1, 2011. If funds are appropriated by the General Assembly in the  
6 fiscal year 2012 Budget Bill (S.B. 85/H.B. 70) to pay in fiscal year 2012 the principal of  
7 and interest due and payable in fiscal year 2012 on the Department's Consolidated  
8 Transportation Bonds that were issued before July 1, 2011, the distribution of  
9 highway user revenues to the Department of Transportation for fiscal year 2012 shall  
10 be made in accordance with § 8-402(c)(2) as enacted by this Act.

11 SECTION 26. AND BE IT FURTHER ENACTED, That, if any provision of this  
12 Act or the application thereof to any person or circumstance is held invalid for any  
13 reason in a court of competent jurisdiction, the invalidity does not affect other  
14 provisions or any other application of this Act which can be given effect without the  
15 invalid provision or application, and for this purpose the provisions of this Act are  
16 declared severable.

17 SECTION 27. AND BE IT FURTHER ENACTED, That Section 4 of this Act  
18 shall take effect July 1, 2015.

19 SECTION 28. AND BE IT FURTHER ENACTED, That, except as otherwise  
20 provided in this Act, this Act shall take effect June 1, 2011.